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NATION'S BUSINESS



JULY • 1930



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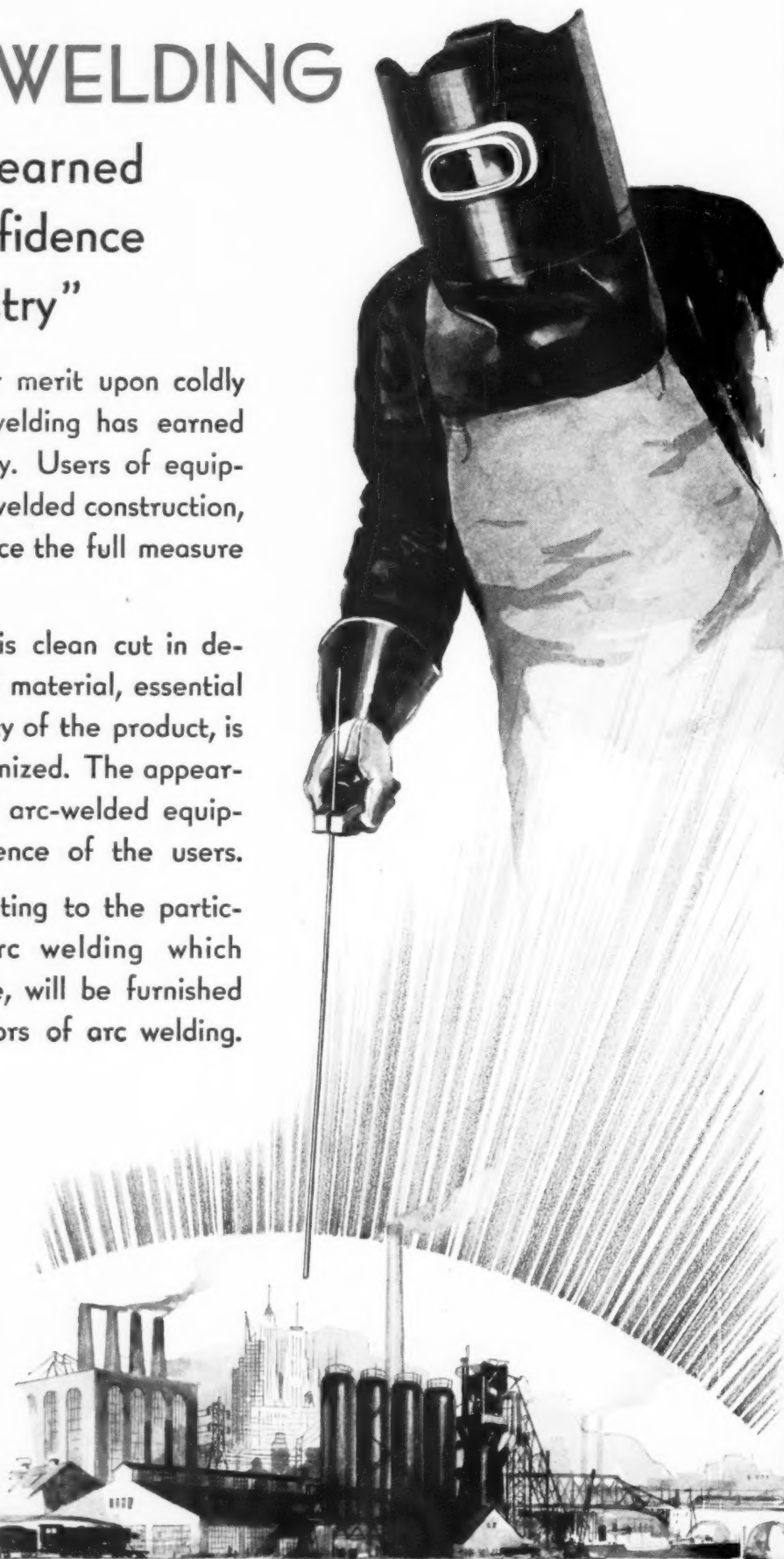
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NATION'S BUSINESS for July

VOLUME 18

NUMBER 8



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MERLE THORPE, Editor and Publisher

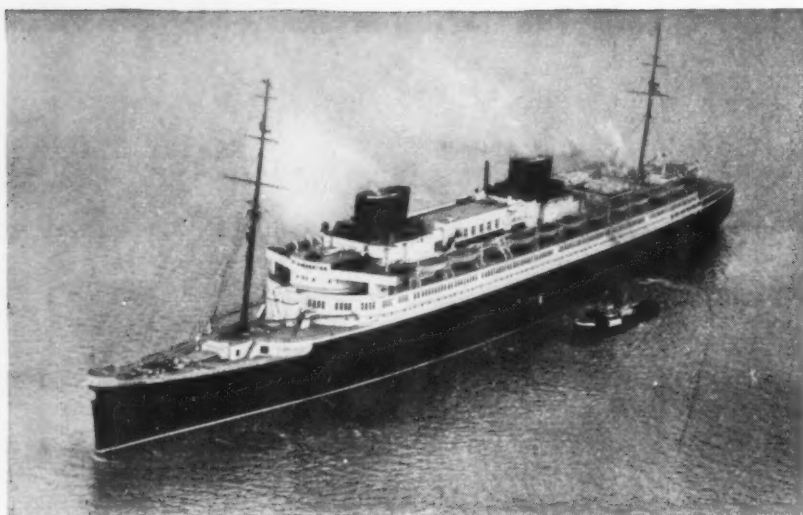
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Airview of the North German Lloyd Liner "Europa"

Faster than the Swiftest Ship

THE FLEET S. S. EUROPA, new speed queen of the seas, carried two kegs of gold from New York to France in less than five days on her maiden eastward voyage.

Faster than the Europa is the service of the Irving Trust Company, which—by cable—speeds credit, the equivalent of gold, across the Atlantic in minutes instead of days.

Our many years of experience date back to the time when transatlantic liners made their crossings in 15 days—or more!

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New York

Next Month

PERHAPS no author in America is at once so prolific and so versatile as Samuel Hopkins Adams. His published works include novels, biographies and historical volumes.

In his research for a new historical work, he became interested in the story of Nicholas Biddle, president of the Second United States Bank. Biddle, though not well known to history, played so novel a part in the early life of this nation that we asked Mr. Adams to tell the story for NATION'S BUSINESS readers.

Modern science is doing many amazing things but some of the most remarkable are in the field of light. Harrison E. Howe, editor of *Industrial and Engineering Chemistry*, will tell the amazing story of how light has been put to work as a tool of industry.

Herbert Corey has interviewed a number of big insurance executives and will tell what they think of borrowing money on insurance policies; and Edith Nourse Rogers, representative from Massachusetts, will write on women in business and Congress.

THIS MONTH'S COVER

Painted by Rico Tomaso

ALONG the rivers cities grew and over the natural highways a leisurely traffic travelled its roundabout way. Where there were no rivers, commerce languished because the shorter, overland routes were blocked by natural barriers.

Until these difficulties were conquered, overland commerce must be localized and desultory. Its great difficulties, its narrow boundaries doomed large achievement.

As always when Nature challenges, men rose to take up the gauge. The Pioneer Bridge-Builders came. Great, slow, painstaking, methodical men, but men with vision and ingenuity, stern as the problems they had to meet, unyielding as the stone with which they fashioned their first, substantial arches.

When precedent failed, they made new precedents. When known materials proved inadequate, they sought out new ones. They adapted iron to their purpose. They swung huge spans from threads of steel and, as they opened the way, rutted trails became smooth highways speeding business and communication. To them NATION'S BUSINESS dedicates this cover.



NATION'S BUSINESS



A MAGAZINE FOR BUSINESS MEN



The Politician Faces Competition

UNSCRUPULOUS politicians have always battered on the moor of economic illiteracy. Many of our so-called political economists are more the politician than the economist. The complexity of business in this modern day gives sustenance to political opportunism, and breeds viewers with alarm who are of a piece with the "brimstone up-lifters" of backwoods settlements. What they cannot, or will not understand, they vilify.

Who has not heard that the Federal Reserve Board members abuse their trusts to juggle prices? That the railroads are oppressors of the farmers? Or that the public utilities are robbing the people of their birthright? And that the middleman is a destructive parasite on the body politic?

Of course, you have, and the charges are as devious as the minds of the demagogues who make them. The trouble is that we are blunderbussed into silence by the parrotlike repetitions of their harangues.

They play upon our economic illiteracy.

They assume that we are ignorant of the workings of the Federal Reserve Board, the regulation of the railroads, the relation of public utilities to the public interest, and the useful function of the distributor.

Yet it is becoming clear, I believe, that the politician will soon have to change his bag of tricks. We are raising the level of information about the ways of business and business men, and it is making us as a people less susceptible to false premises and wild promises.

Nor do we rest the case on college education alone. This June, 1930, sees 70,000 young men and women begin life with college degrees. Many have studied courses in business organization and management, offered by 329 institutions of higher learning, with an enrollment of 30,000.

All this means much, but more important is the adult education which is going on. Everywhere there is evidence of a high resolve to avoid that economic illiteracy with which Frank Vanderlip charged us twenty years ago. The

appetite for business education and business information is the driving urge of the times.

Business is not a new force in the world; it is only in its present importance that it is without precedent. Approximately 90 per cent of the American people are supported directly by mechanical and agricultural industry and by business; the remaining 10 per cent are supported by general business indirectly.

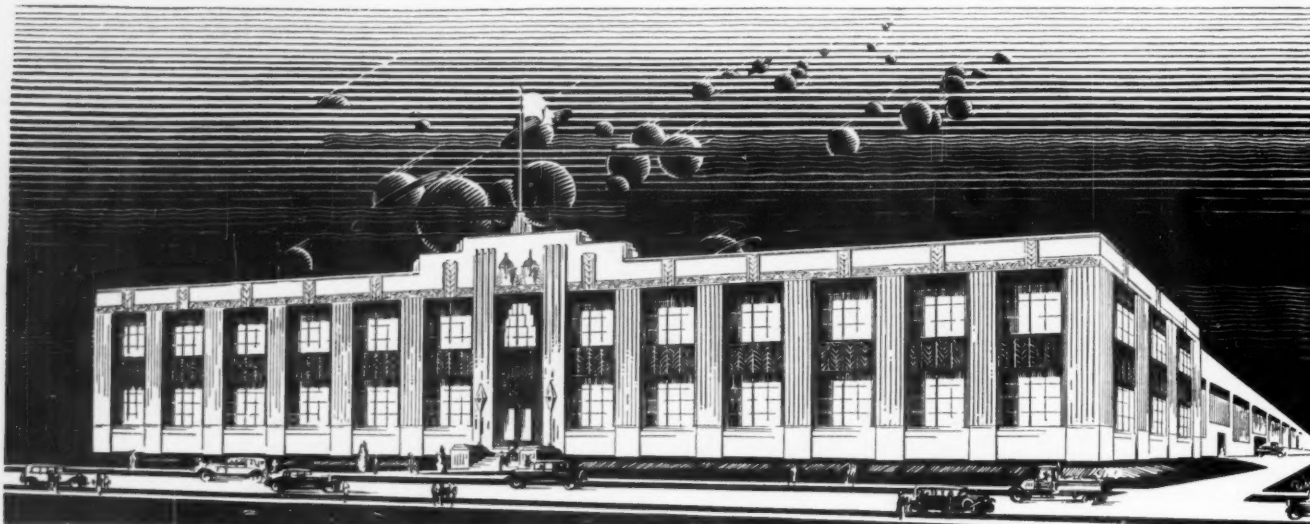
Business is all things to all men, of infinite variety, and it speaks a various language. The report and interpretation of this diversity of interests has become a great business in itself. Business has become news, and the public seems to want more and more of it, if the space given by representative newspapers counts for anything. Trade journals flourish on every hand and a crop of new ones springs up with each new industry. Even the old line magazines keep an editorial eye cocked on industrial developments and boast "executive circulation"; while radio acknowledges the popular demand for speakers on business topics of the day.

Everywhere the cry goes up, "Tell us about new products, new industries, about research, about employment, about crops, about transportation, about communication, about markets, about stocks and bonds—about all the myriad achievements of the world of commerce and finance from which we derive our living."

Without doubt, economic literacy is just around the corner. It will bring about many changes: a finer development of our business life, a more rapid progress toward the ideal of business, that of abolishing poverty.

And another change, devoutly to be wished for, will be the attitude of the politician. Unless he changes his tune and promotes the free play of economic laws instead of time-honored political panaceas, his audience will run out on him.

Mere Thorne



ANNOUNCING the 1930 Model Plant for Low Cost Production

Straight Line Production:

The floor plans permit of unusual and varied straight line production arrangements. The remarkable cross sections permit of overhead handling by conveyers and monorail systems, providing additional space but not representing added building investment.

Large Working Areas:

Only one interior column to every 4,000 sq. ft. of floor space, making possible great flexibility of plant layout and arrangement... the large airplane transport type of working area.

Modern Cross Section Designs:

The cross sections are the most efficient known in modern engineering. The basic types have been developed to a new degree of efficiency and economy by Austin Engineers.

Sturdy Construction:

The steel framework is fabricated from heavy rolled steel sections. Arrangements can be made for accommodating crane runways of any capacity, in the center and side aisles.

Welded or Riveted Steel Optional:

The Austin 1930 Model Building may be of welded or riveted steel as you prefer, and at a comparative price. Austin is one of the pioneers in the welding of steel buildings and recently announced welded steel as a regular part of its complete service at a cost comparable, for the first time in building history, to the cost of riveted steel construction.

1930 Architecture:

The new Austin 1930 Model Building is ultra-modern and highly attractive from an architectural standpoint. It breathes progressiveness, sound character, and substantiability for any corporation. The front elevation may be of face brick, limestone, terra cotta or stucco and used in any combination.

Concrete Floors—Foundations:

Heavy concrete floors, or with special wearing surfaces. Floors and foundations are designed for actual conditions and constructed from specifications developed by long experience.

BUSINESS cannot blink at facts. Competition is forcing a show-down... and those manufacturers with obsolete plants, methods and equipment that were "good enough" even a few years ago find themselves in a serious predicament today.

To meet the need for profit-earning manufacturing plants that will fit present-day production requirements and, at the same time, prove flexible enough to permit quick revision when demanded, The Austin Company presents the 1930 Model Plant... economical, efficient and attractive.

Here is a plant so designed that it can be adapted to more than 80 per cent of present-day manufacturing processes. Here is a plant ideally suited to modern straight line methods... a plant efficiently designed and constructed to afford the benefits of speedy, low cost production... a plant that will help your business to keep ahead of competition.

Helpful suggestions, approximate costs and additional information will be promptly furnished for the Austin 1930 Model Building or any other type of project you contemplate anywhere. Maximum value per dollar invested is assured under The Austin Method of Undivided Responsibility which includes design, construction, and equipment, by one organization, under one contract; which guarantees in advance low total cost, time of completion with bonus and penalty clause, and quality of workmanship and materials.

Phone, wire, or write for further information and definite quotations on the new Austin 1930 Model Plant to meet your individual requirements.

Steel Sash:

Steel windows used in front elevation in happy combination with exterior wall treatment. For side walls, steel sash continuous is used, admitting maximum daylight and ventilation.

Brick Walls:

Permanent side walls of attractive appearance. They stand abuse and provide good insulation.

Roof Deck:

Heavy mill type or of fireproof materials which provide good insulation. Heating economy, all-weather comfort and long life are inherent features of any of these roof decks. Guaranteed built-up waterproofing surface.

Daylighting and Ventilation:

Exceptional daylighting which increases production, induces cheerfulness, minimizes accidents. Plenty of fresh air and cheerful surroundings due to the generous use of many windows, both in the side walls and in the monitor—the interior walls and structural steel finished with mill white or aluminum paint.

Heating, Plumbing, Sprinklers:

Adequate heating to provide temperature of 60 degrees in plant and 70 degrees in the office in zero weather. Good plumbing throughout, including sprinklers, all fittings the products of nationally known manufacturers.

Electric Lighting:

The best type of artificial lighting known today, developed as the result of extended research by Austin engineers and the laboratories of the National Electric Light Association.

Speed—30-60-90 Working Days:

Austin's well-known speed will place you in production weeks in advance of the time ordinarily required. Austin will guarantee to design, build, and equip a plant containing 100,000 sq. ft., ready for occupancy in 60 working days under a bonus and penalty clause if desired.

Standardization:

Standardization is employed to the maximum degree in the Austin 1930 Model Building which results in economies making possible an exceedingly low price for this high grade building.

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NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

As the Business World Wags

THUS WE MAY SEE, QUOTH HE,
HOW THE WORLD WAGS—*As You Like It.*

The Battle of the Banks



IT WOULD be difficult to discover a spokesman for branch banking more insistent and vigorous than the present Comptroller of the Currency, John W. Pole. He has painted the past ten years of banking history in colors which establish it as the dismal decade in American banking. Flowers have been spread and soft music played over the graves of more than five thousand banks. Why this rush for the happy hunting grounds of banking?

Mr. Pole believes that the excessive casualty rate of our banks is due to an inherent weakness of the unit bank, that it is less safe than an association of banks, that thousands of unit banks are unable to earn a fair profit, that the small unit bank is unable to bid for the superb management which graces our great multiple banks and that they are obsolete vestiges of an old economic order which is rapidly giving way to another. A branch system, he believes, provides greater safety, better service, better management, more efficient use of funds and is more amenable to the visitorial powers of the Comptroller's office.

Turn now to a former comptroller of the currency, Henry M. Dawes. In his report of 1923 he views branch banking as a menace to the nation. It is not a case of live and let live, for the two systems, at least according to the experience of other countries, cannot exist side by side. Mr. Dawes directs attention to the perils of undue concentration, the danger to the Federal Reserve System, the certain extinction of the unit bank, the difficulty of proper supervision over far-flung branch systems with involved affiliations.

These two men speak from broad observation. The annual reports which set forth their respective positions are separated by six years. Mr. Dawes has just concluded his testimony before the House Banking Committee. It shows that the experience of the six intervening years since he rose as the champion of the unit bank have not changed his views. When two experts disagree irreconcilably and unequivocally where can the humble layman go for comfort and light?

Reserve System's Profits



A RECENT report of the Economic Policy Commission of the American Bankers Association turns a cold and glassy stare upon the proposition that any part of the surplus earnings of the Federal Reserve System should be passed back to the banks which own the Federal Reserve structure and are in addition the principal sources of its revenues. The Commission feels that any attempt to return such earnings to the points of proprietary merit and business origin would place undue emphasis upon the profit-making functions of the System. They were intended to be only incidental to those tasks which constitute the principal purpose of the twelve reserve banks. And only incidental—so the Commission avers—they should remain.

The report also shows that since the establishment of the Reserve System its net earnings have amounted to \$515,215,983. Of this the member banks, to whom by ordinary proprietary law this should all accrue, have received \$90,672,460. The Federal Treasury has received as a franchise tax \$147,109,574. The balance of \$277,433,949 has been passed on to surplus, and the title to this money, according to the statute, resides in Uncle Sam.

This experiment in "bank relief" has profited the Government to the extent of \$424,543,523. Furthermore, the reserve banks have performed many fiscal services for the Government without compensation. Seventy-five million dollars would hardly cover their cost. Here we have a total of \$500,000,000 which the cooperative efforts of the banks have yielded the Federal Treasury—a situation to raise the question of how similar are the two experiments "bank relief" and "farm relief."

Faster American Ship Service



IF ANY one has questioned the usefulness of the Jones-White merchant marine act, an answer in the affirmative may be read in the complete American quality of the building and operation of the new Grace Liner *Santa Clara*. On her maiden voyage from New York to Cristobal she easily cut 36 hours from the best previous time, and so

rapidly was she outfooting her schedule that her skipper reduced her speed from 21 knots to 16 knots. Even at that easy gait she had no trouble in making Cristobal four days and thirteen hours out of New York. Usually the voyage to the Canal Zone takes about a week.

A twenty-knot liner is no novelty in the Atlantic trade, of course, but in inter-America service a ship of such speed is distinguished by that fact alone. The *Santa Clara* is a turboelectric ship designed to do eighteen knots. With this addition to its fleet the Grace Line will be able to provide a regular fortnightly service which will cut about five days—about a working week—from the time between New York and Valparaiso.

And reasonable enough seems the expectation that this faster service will bring Latin-American amity and commerce in closer touch with our eastern seaboard. New York will be placed on the high road between the west coast of South America and Europe, for the new schedule will make it possible to reach Europe from the west coast more quickly by way of New York and the North Atlantic lines than by the direct steamship services now available.

The international implications of a larger American merchant marine have never lacked for interpreters. Perhaps the nationalistic aspects of the *Santa Clara's* performance argue their own importance. Built at Camden by the New York Shipbuilding Company from American designs, she is the first product of the Jones-White act to aid the development of an American merchant fleet by private enterprise. Her excellent showing is enough to invite belief that if this country does not advance its place in world shipping, it will be owing to disinclination, rather than to any deficiency of resourcefulness or skill.

Self-Judgment of Business



MUCH more than commercial arbitration is implied in the proposal of Bernard Baruch, New York banker, for the establishment of "a tribunal where business can practice group self-government." How this supreme court of business would project the example of the War Industries Board he explained in an address to members of the Boston Chamber of Commerce. The possibilities of industrial cooperation on a national scale were revealed in the operations of the War Industries Board, as Mr. Baruch properly points out by reason of his own service on the Board.

So encouraging was the teamwork under the stress of war that many business men began to make suggestions toward the provision of means for making trade decisions by mutual counsel in time of peace. It was agreed that "what business needs is a common forum where problems requiring cooperation can be considered and acted upon with the constructive, nonpolitical sanction of government."

Inviting as the proposal is in prospect, it writes its own point of doubt with saying that "no repressive, inquisitorial, mediocre bureau will answer." Whatever the obstacles to its realization, this concept of a business tribunal is scaled to a prestige and dignity to persuade

our greatest business leaders "to divest themselves of all personal interest and there serve."

Expanding the Golden Rule



OVER and over the Chamber of Commerce of the United States has advocated self-regulation for American business. The trouble is not with the will or the spirit, nor is there difficulty in determining what is right in principle. The golden rule supplies all that a man of business needs. To state the principle is one thing; to apply it to the vast, complex problems of modern business tries the head as well as the heart. As Owen D. Young said in another connection,

What is right in business requires, in highly complicated situations, that the golden rule be applied by men of great understanding and knowledge, as well as conscience. They must be technicians in the sense of making the connecting link between the golden rule on the one side and the most complicated business transaction on the other. They must be as highly skilled as the turbine engineer who makes the connection between the multiplication table and the modern high-pressure turbine with its high temperature, wheels revolving at great speed, and an electrical output which if let loose is as destructive as the lightning of the gods.

Where the difficulties that beset the way are so clearly defined by leaders of the business community, continued progress toward a larger measure of commercial self-government is a reasonable expectation.

Patriotism Is no Monopoly



WHERE free speech is upheld by constitutional guarantee, as in this land, it may seem no paradox that a highly vocalized minority of Americans should continually complain of the articulate patriotism of others. That we should be tolerant of foreign critics argues something for our courtesy. That we should indulge the domestic revisions of our native pride is a distinction that seems to add to the gayety of nations.

Here the man who puts his patriotism into words immediately invites the charge of "patrioteer"—or even worse, if anything, "boobery." How different the commentary abroad is revealed in the frank avowal of "hundred percentism" by Kaye Don, British race driver. On the eve of his departure from London for Daytona Beach in quest of the world's speed record he replied to the toast to "the continued preeminence of British workmanship." Of his car he said:

British workmanship has produced a wonderful vehicle, made throughout of British materials. With it I intend to uphold the British tradition and keep for the British Empire the world's speed record.

It may be that in Europe patriotism is taken for granted, much as the traffic problem is here. British patience with critics of Britain goes without saying, as everyone knows who has visited or heard of Hyde Park. Yet that patience does not obscure the fact that not a theater, night club, or dance closes without the playing of "God Save the King." Of a vaporous cult in this land it could be truly said that the singing of "America" in-

vited the raising of its eyebrows rather than its voices.

Possibly our home-bred patriotism is too standardized to make news, and that imported appraisals of our worth prick attention with their calculated impacts on our complacency. Or perhaps it is as Dr. S. E. Morison has said, "Americans have a humorous curiosity where foreign visitors are concerned."

Getting the Most out of Giving



COMMONPLACE as wills have become as formal expressions of benefactions or just due, it is still a matter of news when such a testament phrases a philosophy of philanthropy, as did the will of Clarence Kelsey, founder of the Title Guarantee and Trust Company of New York. It was his belief and practice that "it is better to give regularly and generously from income than to accumulate money with the expectation of making gifts at death."

His will commends his plan of living and of giving to his children and his grandchildren. To them he said, "I believe that money set to work immediately is better used than if accumulated with the idea of doing great things with it afterward. The plans are forgotten or often fail to be carried out. Money never catches up with time. The good done with a little money now may be far greater than that done with a great deal more later on, and is more sure to be done."

Where philanthropy is so immediately related to its source, the satisfactions of giving are, of course, directly felt by the giver. Mr. Kelsey's responsiveness to need brought its reward in his lifetime. His creed of sharing invites respect in the knowledge that he left this world only after having contributed to it in generous measure.

A Director Who Attends Meetings



WHEN Mr. Coolidge delivered his famous ultimatum in rejecting renomination, and "Model T" made its final exit, it was widely remarked that the United States had come to the end of an era. Today Mr. Coolidge is still in the public eye. The soft afterglow from the bright light that beats upon the presidency is enough to distinguish him, of course. More particularly, he is "news" because of what he does. As everybody knows, he is a director of the New York Life Insurance Company. Now at the end of his first year with the company, he has deserved this citation:

He was absent from only two board meetings during the year, once last spring while on a trip to the far West, and once in January when he left with other directors and officers to address a meeting of agency directors in Florida.

This sort of designation would go far to give color to the printed regimentation of corporate directorates. Where now the names are colorless legion in our directories of directors, variety might flower in the marks of distinguished service—an asterisk, say, for regular at-



Playing a Losing Game

tendance at meetings. The accolade of praise publicly bestowed on Mr. Coolidge gives a pleasant impetus to the thought that business men have on occasion deserved that terse eulogy of the military service, "mentioned in dispatches."

Politics in Business



TO THE demand that we should have "less government in business," Col. Malcolm C. Rorty, vice president of the International Telephone and Telegraph Company would add "and less politics in business."

Colonel Rorty who was talking to the American Management Association, had not in mind the politics of Republicans and Democrats, of caucuses, conventions and elections, but the sinister politics that develops within the individual business itself, the politics that leads to building up of groups within an organization, of giving men responsibility without authority, of making promotion depend on favor rather than on merit.

Great corporations, Colonel Rorty thinks, have met disaster because of disruption in the ranks of executives.

It would not be hard to find cases in support of the charge. Most of us at least have heard of corporations where every "higher up" was ranked as "A's man" or "B's man," where it was whispered "if you want to get ahead get solid with So-and-so."

Newspaper reports, perhaps, made more of this point in Colonel Rorty's address than he himself would have given it. It is hard to believe that many of our great industries are gravely threatened by internal politics. Competition is too keen, the public interest in their management too great.

We have gone far in late years in separate ownership

and management but there are still directors and dividends to be considered and a management that finds itself occupied with internal politics can always be asked to remove itself and its politics.

But there is interest and sense in this extract from Colonel Rorty's discussion:

Human problems in any large-scale organization are sharply divided, with the result that the handling of personnel in the lower ranks is tending more and more to be determined by an enlightened self-interest and to be based increasingly upon scientific study and tested experience, while in the upper ranges science ceases to prevail and the organization tends to become highly personal and political in type.

One of the problems of management is to manage the managers!

The Hoch-Smith Resolution



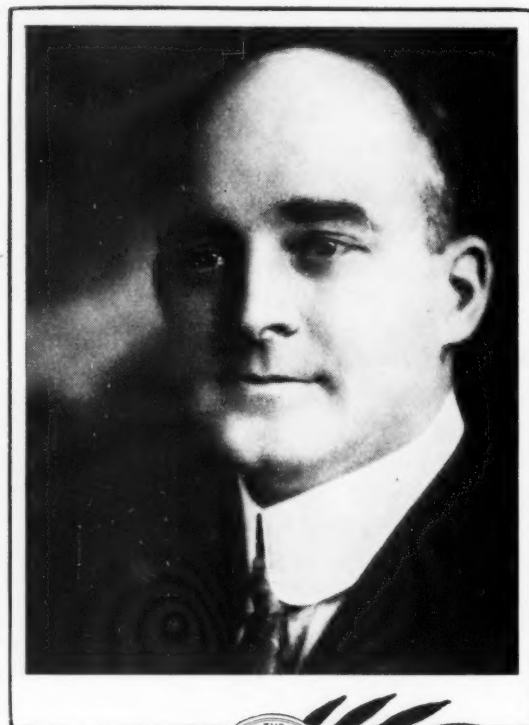
HAD it been the desire of Congress to provide the Interstate Commerce Commission with a provocative piece of legislation, it could hardly have presented a livelier basis of discussion than the Hoch-Smith Resolution which it passed in 1925. Views of this legislation have ranged all the way from an opinion that it did not change the law administered by the Interstate Commerce Commission to beliefs that it granted preferences to agricultural products, as indicated editorially from time to time in NATION'S BUSINESS.

The Supreme Court has now in a unanimous opinion handed down its interpretation. The case involved freight rates on the great movement of grapes, pears, plums, cherries, and other deciduous fruits from California to eastern states. The conclusion of the Supreme Court was that the Commission had lowered the rate on these fruits in dependence upon its interpretation of the Hoch-Smith Resolution, and not by reason of the principles set out in the Interstate Commerce Act as to all rates. The Court, therefore, set aside the order of the Commission.

Having found the Commission had taken this course, the Supreme Court examined the Hoch-Smith Resolution. The Court began with the proposition that only clear enactments should be accepted as overturning "positive and unambiguous provisions constituting part of a system of laws reflecting a settled legislative policy, such as the Interstate Commerce Act."

Does the Hoch-Smith Resolution mean no more than that the depressed condition of an industry is to be given such consideration as may be reasonable, considering the nature and cost of the transportation service and the need for maintaining an adequate transportation system? If so, the Supreme Court said the Hoch-Smith Resolution brought no change in the existing law.

On the other hand, it was the Supreme Court's decision, if the Hoch-Smith Resolution meant more and was intended to require that rates be reduced to some uncertain level below the standard of reasonableness already required by law, it would give rise to a serious question respecting the constitutional validity of the Resolution. Always being adverse to adopting a con-



IN the passing of Robert R. Ellis the business community loses a devoted counsellor and advocate. A talent for organization brought him naturally into the service of the National Chamber, to which he made important contributions as director and vice president. His home city of Memphis knew him as the head of a successful wholesale drug concern and as a leader in its civic affairs. Yet it was characteristic of him that he should find time and opportunity to lend a hand in promoting the discussion of national problems. Distribution particularly interested him, and to its study he brought a tremendous enthusiasm and capacity for work. The constructive and communicable quality of his zeal in great degree gave form and direction to the deliberations of the Domestic Distribution Conference of 1922 and the National Wholesale Conference of 1929. His was the simple faith that believes the way to get things done is by their doing.

struction of a statute raising such a serious question of constitutionality, so long as another interpretation was obvious, the Supreme Court said the Hoch-Smith Resolution was to be looked upon as making no change in the law as it stands on the subject of railroad rates, their reasonableness, and their freedom from discriminations in favor of persons, commodities, classes of traffic, or localities.

It is significant that the Court viewed the Resolution "more in the nature of a hopeful characterization deemed desirable if and in so far as it may be obtainable, than as a rule intended to control rate-making."



Mr. Edison (in center, holding straw hat) and assistants at Menlo Park

Thomas Alva Edison, Worker

By GAMALIEL BRADFORD

Author of "Confederate Portraits" and other works

ALTHOUGH Mr. Bradford has published many widely read biographies of military and political figures, this is his first excursion into the realm of business biography. Here he shows the same keen analysis that has given his other works outstanding value

WHEN we look back at the nineteenth century, we realize that, whatever its defects, it was extraordinarily rich in developing certain forces which modified enormously the material, superficial existence of mankind. There is democracy, which was to make over the political world and accomplished something, if not all it hoped. There is journalism. When we compare the newspaper of a



Thomas A. Edison in 1892

Photographs courtesy of the Edison Lamp Works of General Electric Company

hundred years ago with that of today, we appreciate the immense, subtle influence that has been exerted on every phase of human affairs.

Inventions for human service

MOST important of all these forces, perhaps, is that of mechanical invention. Steam and electricity, with all the innumerable minor developments involved in them, have produced an incredible change in the speed, the facility—may we also say the felicity—of life. Assuredly no name is more significantly and enduringly connected with this matter of invention than that of Thomas Alva Edison.

Edison was born in Ohio in 1847. His parents were comfortably off, and if he had little formal education, it was not from lack of means but because his mother, who had been well educated herself, felt that she could give his peculiar temperament better training

than he could get in the public schools.

From boyhood he earned his living and always his intensely active spirit was looking and toiling for ingenious ways to better himself.

Experimented with everything

AFTER varied wandering over the country, working in telegraphy and other things, he appeared in Boston, then in New York. Everywhere he invented useful appliances to help his work and gradually these appliances came to commercial profit. But all the money he could get went into the further experiment which was his life.

He established laboratories at Menlo Park, and at Orange, and out of them came the marvelous discoveries of quadruplex telegraphy, the commercial adaptation of the telephone, the incandescent light, the storage battery, the phonograph, the development of the moving and talking pictures, and literally thousands of others, culminating in the variety of devices brought out by the inventor's service to the Navy Department during the war. At 83 Edison is still as intensely active as ever, and when it was proposed to relieve him of deafness, he declined, saying that his infirmity helped him to think, and, "I want to do a lot more thinking before I die."

The survey of this vastly fertile and productive career prompts some inquiry into the sources of the production. What enables one man to see such

limitless possibilities in the adaptation of ordinary daily things when another man will pass them by quite unregarded? Edison himself is inclined to reject the idea of any special gift, instinct, or genius. In his own homely phrase, genius is "one per cent inspiration and 99 per cent perspiration."

Hard work is the only solid basis of success, though men are infinitely cunning in the effort to seek other explanations. Yet you cannot help feeling that there is a little more to it, and one who is himself totally without the mechanical instinct, though otherwise perhaps not wholly indolent, cannot but wonder at the ceaseless ingenuity which is forever discovering new relations in circumstances that have been old and obvious for a thousand years.

At the same time Edison's emphasis on a constant, unwearied, never-failing intellectual activity and ardor is no

doubt perfectly just. Such activity is the essential prerequisite of pretty much all the great accomplishment of the world. Mr. Firestone quotes the inventor as saying habitually, "There is no expedient to which a man will not go to avoid the labor of thinking."

There are few of us who cannot confirm the remark from our own experience. A fierce intellectual activity seems to be Edison's dominant characteristic. His mind has got to be at work, conceiving something, creating something, getting somewhere, or he cannot be happy.

With the natural drift toward ingenuity and the perpetual mental movement, there is also the impelling force of ambition. When Edison was asked what frame of mind helps to bring ideas, he answered, "the ambitious."

No doubt he disclaimed and rejected the cheaper forms of publicity and notoriety; but neither he nor any one else is indifferent to the glory of achieving great things and being known to have achieved them. The interesting modification and development of all these spiritual incentives in Edison's case is their strongly and constantly practical bent. His democratic and thoroughly American training and surroundings made him look at life from the point of view of use and, from first to last, all his magnificent intellectual powers and resources were bent to devices and appliances which should be directly advantageous for the convenience and comfort of humanity.

Ingenious schemes

THIS tendency appears and develops from the very start. When he began as a newsboy on the train, he was not content with merely selling papers. He soon began to print a little paper of his own and, more than that, he was full of ingenious schemes for getting his papers sold. He dabbled in chemistry, that fascinating cosmos of experiment, from a child, and filled the house with bottles marked "poison," as later he was to fill his laboratory with pretty much every substance that is known in the world.



Edison's mother was well educated and gave him most of his early training



Edison worked as a boy but not from lack of means. His father was well off



Mr. Edison at work in his modern laboratory at Orange, N. J.
(At right) the inventor inspects the memorial erected by the Edison Pioneers at Menlo Park



Whether it was telegraphy, whether it was electricity, whether it was the crushing of iron ore, or the manufacture of cement, or the eternalizing of perishable human voices, it made little difference; there was always something for Thomas A. Edison to discover or to improve, some clever turn of a device, some larger possibility of advantage or usefulness, which others had passed without seeing and which he could seize and grasp and profit by.

This restless spirit of ameliorating life is admirably indicated by Edison's biographers:

"The world never saw a man more deeply and desperately convinced that nothing in it approaches perfection."

Thus, through all sorts of varied

vicissitudes and nomadic wanderings Edison gradually settled into a career of professional invention, of determined, ceaseless discovery of useful appliances to increase the comfort of human life.

If it cannot be said that the mental activity has increased, since it was furious from the beginning, it has at least been disciplined, trained, and developed, so that it can be always directed to the greatest usefulness. As Mr. Firestone says:

He is trained to think

"MR. EDISON'S whole life has been devoted to training his mind to con-

centrated thinking. He has so trained his mind that it shuts out everything except the specific problem before him."

When he sets himself a particular problem to work out, he begins by acquainting himself with all the material bearing upon it. In his own words:

"The first thing is to find out every-

(Continued on page 156)

SINCE LAST WE MET ★

MAY

- 11 • SALES of 47 chain-store companies show gain of 1.78 per cent over April, 1929, and 6.24 per cent over the corresponding four months of last year.

- 12 • CANADA'S new tariff, designed to foster empire trade, will affect "adversely in most instances" United States trade with Canada to the amount of \$225,000,000.

AMERICAN Farm Bureau Federation appeals to its 1,837 county units to show a "united front" to the "enemies" of the Federal Farm Board.

- 13 • CUNARD gets bids for new 75,000-ton liner, with 28-knot speed. Cost put at \$30,000,000—\$10,000,000 above either *Bremen* or *Europa*.

- 14 • PRESIDENT HOOVER approves Congressional joint resolution for settlement of the case against Sinclair Crude Oil Purchasing Company in the sum of \$2,906,484—the amount fixed by compromise as the value of oil taken from Teapot Dome.

- 15 • WAGES paid by Western Electric Company since 1914 advance 114 per cent as against 20 per cent for prices. "Organization for progress" is the reason given by C. G. Stoll, vice president in charge of operations.

GOVERNMENT files suit against Radio Corporation of America and associated corporations to determine whether their system of cross-licensing and pooling patents is "unlawful combination and conspiracy."

- 16 • O. P. AND M. J. VAN SWERINGEN, Cleveland financiers, plan transcontinental railroad by extending vicinity acquired by Missouri Pacific to the west coast by acquisition of the Denver and Rio Grande Western, and the Western Pacific Railroads.

PIERCE PETROLEUM Corporation, with assets of \$25,000,000, acquired by Sinclair Consolidated Oil Corporation on basis of one share of Sinclair for four of Pierce. Merger will increase Sinclair assets to more than \$425,000,000.

LONDON loses £10,668,000 in gold since first of month through shipments to France.

MAY

- 18 • SOVIET Central Labor Federation announces from Moscow an increase of 24 per cent in production last year. Claims 30 per cent will be realized this year, and reports 250,000 new workers absorbed into industry in six months.

- 19 • FIRST annual report of United States Electric Power Corporation shows total assets at \$1,221,536,006, and net earnings at \$78,086,828.

BANK for international settlement sells shares to 100 banking institutions in the United States. Stock quoted at premium of 40 per cent in Paris market. America allotted 16,000 shares.

- 20 • CHRYSLER displays new Dodge cab as bid for New York taxicab market. General Motors already in field as operator and builder. Ford advent expected. War of "big three" predicted.

FOUR million dollar decline in ocean passenger traffic since January 1. First class bookings fall 13,000 below corresponding period of last year.

- 21 • TRAFFIC congestion costs the American public more than \$2,000,000,000 a year, aside from traffic accidents, by report of a committee of the National Conference on Street and Highway Safety.

SHIPPING BOARD grants loans of \$31,162,000 to three steamship companies for the building of eight vessels, two to be 705-foot liners for the United States Lines.

- 22 • PRICE war declared in book trade when several New York publishers slash standard fiction to a new low rate of one dollar. Paper covers to be increasingly available. More emphasis on chain stores as dispensaries of cut-rate books.

- 23 • E. C. STOKES, former governor of New Jersey, tells convention of Pennsylvania Bankers' Association that branch banks will kill independent banks "as surely as the chain store has eliminated the local merchants."

NEW YORK CENTRAL reported in control of the Delaware, Lackawanna & West-

A Business Record May 11 to June 10

MAY

ern Railroad through purchase of an additional 77,525 shares of stock at cost of \$10,853,500.

INTERNATIONAL bankers agree on terms of general contract to be signed between them and the German Government for the first Young Plan reparations loan of \$300,000,000.

- 24 • "JOBLESS" insurance seen as inevitable by Professor Paul H. Douglas, acting director of the Swarthmore University unemployment study.

CLARENCE SAUNDERS, of Memphis, plans to decentralize 400 stores with annual sales volume of \$40,000,000. Local ownership, operation and control in view.

CONSOLIDATION Coal Company "largest soft coal producers in the world," abandons two-year effort to stabilize industry. Wages of 2,500 to be reduced. "Cut-throat" competition blamed.

- 25 • AUTOS killed 31,000 in 1929, a rise of 10.2 per cent, says report to National Conference on Street and Highway Safety.

NEW air-rail service of New York, Rio and Buenos Aires Line, Inc. spans 10,000 miles. Cuts travel time from San Francisco to Buenos Aires to 11 days.

AMERICAN Chamber of Commerce in Mexico City wires President Hoover Harris bill to put Mexican immigration under quota "as most unwise at this time."

- 26 • VALUE of construction in first four months estimated at \$452,910,000, estimated at 30 per cent gain over corresponding period of 1929. Road building leads.

- 27 • JOHN HAYS HAMMOND, Jr., announces invention of television system that will enable aviators to penetrate fog.

- 28 • DEPARTMENT store sales for April are 6 per cent above April, 1929.

- 29 • WORLD auto production in 1929 reported at 6,295,352 by Department of Commerce, a gain of 1,092,213 over 1928.

MAY

- 30 • STATE DEPARTMENT gives permission to J. P. Morgan & Company on behalf of Bank for International Settlements to sell German reparations bonds in United States.

- 31 • GRAF ZEPPELIN arrives at Lakehurst, New Jersey, from Friedrichshafen, Germany, via Seville, Spain, and Pernambuco, Brazil. Distance 12,912 miles; 22 passengers, 3,600 pounds of mail and one auto.

JUNE

- 1 • JULIUS BARNES, head of National Business Survey Conference, finds easier credit aids production and distribution. Retail sales substantially improved, but foreign trade depression continues.

- 2 • FORD cuts car and truck prices \$5 to \$25.

- 3 • SIXTH Annual Radio Show opens at Atlantic City with 200 manufacturers exhibiting, 90 less than a year ago.

UNITED STATES Treasury announces deficit of \$202,906,000 at end of eleventh month of fiscal year. Surplus expected before end of year.

- 4 • I. T. & T. report for 1929 shows net income of \$17,732,159, equal to \$3.03 a share on 5,858,984 common shares.

- 5 • PROCTER AND GAMBLE acquire assets of James S. Kirk and Company, soap-makers of Chicago.

- 6 • UNITED STATES Circuit Court of Appeals at Philadelphia rules sweet chocolate is not candy. Government must refund \$7,000,000 collected from chocolate makers as taxes on "candy."

- 7 • AUTO output drops 31 per cent in five months with production of 1,970,849 cars.

- 8 • NET operating income of Class I railroads in first four months reported at \$238,507,532, or 3.56 per cent on property investment—return of 1.83 per cent.

- 10 • NEW public financing in first five months, excluding domestic and Canadian municipalities, reported at \$2,869,079,955. Total for same period last year, \$2,874,874,000.



The too-glib toastmaster is banqueting's chief curse. He will always work too long

Several Ways to Kill

By STRICKLAND GILLILAN

ILLUSTRATIONS BY LAWRENCE DRESSER

ONE time in the large village which overflows the island that cost the Dutch \$24 in merchandise, I was scheduled to give a humorous address at a banquet. The purpose of a humorous address is to lighten a too-heavy program of entertainment and inject frivolity into an occasion otherwise oversolemn. Here is what happened:

The chairman introduced the toastmaster in about 4,000 not-too-well-chosen words all intended to be highly facetious. The toastmaster then relieved his system of such material as he had always regarded as humorous. Having

★ ★ ★

"Whenever an audience gets up, during a speech, to go out and examine the weather, it is not altogether the audience's fault."

BILL NYE

★ ★ ★

done this, he introduced Lotta Wiggles, the dancing girl.

When she had done her bit, the toastmaster introduced a member of their own organization who had been wise-cracking around the main office and slaying stenographers with his wit. He lasted 40 minutes and was positively

killing—that is, he killed the banquet so far as accomplishing its purpose was concerned.

After that another dancer appeared, followed by a song leader with whom those who could hear him sang "Sweet Adaline." It was then 11:30. Many suburban trains were leaving at 11:42.

The toastmaster rose again.

"Ladies and gentle-mun," he said. "I now have the pleasure of introducing to you a man, etc.," ending with a triumphant mispronunciation of my name which he had never heard until that evening.

Nobody heard what he said, but there were loud cries as I rose, of "never heard

★ MR. GILLILAN, widely known as a humorous writer and lecturer, made his first after-dinner speech in 1899. He has been making them ever since, as many as a hundred a year. Naturally this entails his attendance at banquets, and no man can attend banquets without realizing that some are good, some bad, some awful. A keen observer, Mr. Gillilan has ascertained why this should be. He sets down here the causes of failure and success. He chooses to be humorous about it but those who find themselves on banquet committees will find some worth-while tips



a Banquet

of him." They were right. They haven't heard of me yet. There was nothing any person could have added to that dinner. I talked at random and without purpose except to collect my fee, for 15 minutes during which nobody even wondered what I was saying.

A speaker quite unknown

DID anybody get anything out of my being there to "lighten the tedium of heavy speeches"? Only the booking agent and myself. The event did nothing to hurt my reputation because nobody except myself ever knew I was there.

But I wonder what that banquet

did to the organization that sponsored it. As nearly as I can make out, a banquet is an event featuring food and oratory at which some enterprise—usually of a commercial nature—is supposed to be given a boost upward and onward.

But that banquet didn't boost anything. It was hopefully planned, expensively arranged, elaborately staged, well attended (at least at the beginning) and yet it died a horrible death. It was dragged to that death just as surely as if it had been tied to a cart-tail drawn by scared wild horses.

I have seen banquets murdered in this and other ways more often than any kindly human eye likes to look upon slaughter. I have seen banquets whose menu consisted of fricasseed humming bird livers *en brochette* with appropriate Lucullan accompaniment and whose partakers were "drenched with Falernian wine," converted into veritable death chambers for the enterprises they were expected to advance. And I have seen banquets at which

the celery was stringy, the olives bitter, the potatoes cold, the meat tough and the ice cream sloppy, prove such an impetus that for years the business felt their acceleration in the right direction.

What is the difference?

The program, old dear, the program.

If the food is not actually poisonous, it will do far less damage to the cause the banquet is supposed to espouse than a four speaker program.

There are few deadlier doses than that. Quality of speeches is less important than number. A banquet with one very short and very bad speech is far better in its effect on a business than one at which seven Demostheneses have orated. The worst speech in the world is much less bad, if short. The longest speech is a flop, no matter how good it may be. I have seen more banquets butchered by too-long programs than by any other cause. Either the committee selected too many speakers or the speakers were selected for their names rather than for the goods they could deliver. Or else, another mistake, the committee undertook to put on a full vaudeville bill and a speaking program the same evening. It can't be done, son, it can't be done.

Overshadowing the speaker

SOMETIMES a committee is given *carte blanche* and told to go as far as it likes in getting talent. Then the god



From 6:30 to 8:15 the guests communed with pink ones

of successful banquets weeps copiously.

Unless the members of this committee have almost superhuman canniness, that banquet is cooked. They go to the theatrical manager of the town and find out what he has on the vaudeville bill that week. From this talent they select a few entertainers to take up an hour or so more after the celery has been removed. By the time they are done the speaker of the evening might just as well fold up his tentative remarks and silently steal away.

An "only" speaker

SOMETIMES he can tell in advance that this is to be so. Other times it comes as a distinct shock. Just the other night I was told I was to be the only speaker at a banquet given by a mercantile association. That was fine. As the only speaker I would have a chance to strut my stuff.

The banquet was to begin at seven. From 6:30 to 8:15, the head table guests communed in an anteroom with pink ones. At 8:15 they sat down at the chairman's table. When the meal was ended, the president of the organization arose and made an address of welcome. It was 9:25 when he quit. His closing sentences introduced the toastmaster.

This gentleman arose, trying vainly to keep his face straight in spite of his consciousness of how funny his typewritten remarks were, and spoke until



Finnigin to Flannigan

WHEN Mr. Gillilan wrote this verse he was city editor and staff of the Richmond, Ind., Palladium. That was in 1897. He wrote it because he had not enough other material to fill his paper. It became an instant success and was widely quoted. It still is.

Superintindint wuz Flannigan;
Boss av th' siction wuz Finnigin.
Whiniver th' cyars got off th' thrack
An' muddle up things to th' divyle an' back,
Finnigin writ it to Flannigan,
Aftther th' wrick wuz all on agin—
That is, this Finnigin
Repoorted to Flannigan.

Whin Finnigin furrst writ to Flannigan,
He writed tin pa-ages, did Finnigin.
He tould jisht how th' wrick occurred—
Sure, minny a tajus, blundherin' wurrd
Did Finnigin write to Flannigan
Aftther th' cyars had gone on agin;
That's th' way Finnigin
Repoorted to Flannigan!

Now Flannigan knowed more than Finnigin—
He'd more idjuca-ation had Flannigan.
An' ut wore'm clane an' completely out
T' tell what Finnigin writ about
In his writin' t' Musther Flannigan.
So he writed this here: "Musther Finnigin:—
Don't do sich a sin again;
Make 'em brief, Finnigin!"

Whin Finnigin got that frum Flannigan,
He blushed rosy-rid, did Finnigin.
An' he said "I'll gamble a whole month's pa-ay
That it'll be minny an' minny a da-ay
Before Sup'rindint—that's Flannigan—
Gits a whack at that very same sin again.
Frum Finnigin to Flannigan
Repoorts won't be long agin!"

Wan da-ay on th' siction av Finnigin
On th' road sup'rindinted be Flannigan,
A ra-ail give way on a bit av a curvve,
An' some cyars wint off as they ma-ade th' shwerve.
"There's nobody hurrted," says Finnigin,
"But repoorts must be ma-ade t' Flannigan."
An' he winked at McGorrigan
As married a Finnigin.

He wuz shantyin', thin, wuz Finnigin,
As minny a ra-ailroader's been agin.
An' 'is shmoky ol' lamp wuz burrnin' bright
In Finnigin's shanty all that night—
B'ilin' down 's repoort, wuz Finnigin.
An' he writed this here: "Musther Flannigan:—
Off agin, on agin,
Gone again.—Finnigin."



The purpose of a humorous address is to inject frivolity into an occasion that otherwise would be oversolemn

10:30. Now and then one could hear the plaudits of those out front:

"Pre-war, my eye. That's been cut ten times."

"Try this, Bill. You need it. You haven't had one for five minutes."

In closing, the toastmaster introduced another gentleman just to "stand up and greet them." He did—for ten minutes.

Then songs were interspersed.

Then another man was introduced to be greeted by the crowd. He replied for 15 minutes. By that time, many were getting up and rambling out into other parts of the hotel to see if they could find a dinner where something interesting was going on.

The toastmaster then called upon a former president to stand up and be greeted. There was a sly purpose behind this introduction for the new president was to be given a testimonial. The former president spoke ten minutes about undying affection, respect, esteem, admiration, love, regard, gratitude, and what am I offered.

The recipient stood up and, to my great amazement, said: "All I can say is, 'I thank you.'"

The crowd bolted

THE toastmaster arose again. Seeing him the crowd arose almost to a man saying audibly:

"There must be another speaker."

They started to the door as he was introducing me. I was the only speaker of the evening!

But the committee is not always at fault. Almost as frequently it is the toastmaster. A too-glib toastmaster is banquetting's chief curse. A stupid one—that is, a timid one, that knows he is stupid—can make a rare and lurid mess of an introduction. But the chances are he will quit soon, thus avoiding the worst of all toastmaster faults—the too-long approach.

Not long ago, I spoke at a banquet in Washington. The toastmaster was one whose acquisition had caused the management to be warmly congratulated. He was himself an orator. I did not share the enthusiasm. In my mind's eye I

(Continued on page 102)

The Price of Great Expectations

By WILLIAM FEATHER

President, the William Feather Company

ILLUSTRATIONS BY CHARLES DUNN



When we are born, our mother, father, uncles and grandparents cherish bloated hopes that we are all future presidents

OF American wits I rank Kin Hubbard, author of the Abe Martin sayings, among the foremost because he can express in a sentence as much wisdom and observation as are found in many books.

Three of his paragraphs follow:

"Ever' once in a while we miss some-buddy an' then find out they're livin' within ther income."

"Mr. Lemmie Peters, whose graduation essay, 'We've Left th' Bay and th' Ocean Lies Before Us,' back in 1913, is fresh in th' memories of our people, has accepted a position as landscape gardener fer th' Acme Fillin' Station."

"Lafe Bud has accepted a 50 per cent

cut an' 'll return t' his wife's folks."

In Kin Hubbard's observations you will note a strain of amusement, tinged with sadness, that disappointment is so inevitable and universal. On the day we are born, some well meaning relative suggests that the assembled guests may be gazing on a future president of the United States.

Such bloated hopes are cherished by our mother, father, aunts, and grandparents, until finally we are shoved from the parental mooring.

The mother of a young man, who had been kicked out of two colleges and had attached himself to my office staff in a minor capacity at \$15 a week, came to me one day, and said, almost tearfully,

PARENTS, those about to become parents and those who one day may achieve parenthood will find a challenge in this article. M. Feather makes an accusation which, right or wrong, is worth consideration. He himself does not know the answer to the problem

"I want my son to be successful. Oh, how I want him to be a great man."

The boy was so dense that he could not discharge the duties of an office boy. I knew it, and he was mildly conscious of it, but his mother had been holding his hand since he wore curls and had been telling him so often how much she wanted him to be a great man that the poor chap had been totally unnerved for any occupation, and was now unfit for his natural work of barber or chorus man. Consequently, he merely fled from post to post, got drunk, and necked silly girls whose mothers accepted him because he was from the right kind of family.

Success without the glamor

EIGHT years ago another lad came to work as an errand boy, direct from grade school. After a year or two he was put at a type case from where he has graduated into a journeyman printer, at a wage of \$49 for 44 hours' work. He is under 25, and is married and self-supporting.

He has a trade at which he is skilled. Since printers will always be in demand as long as this civilization endures, he has an asset that cannot be destroyed by a crash of stocks, war, flood, or fire. As long as newspapers are printed and war proclamations are issued this man will be so downright useful that he will be paid a living wage. If he is smart enough to become the super-

intendent of a printing plant he can make \$10,000 a year.

To the mother of the first youth, the thought of her son working at a type case would be preposterous. Her pride would suffer less if she herself worked at a lunch counter to support him. The great expectations for him must not be deflated.

So long as his mother lives he will exist as a gentleman. Only after she is dead will he descend to his proper level. I observe hundreds of parents, like this young man's mother, depriving themselves of necessities that their children may enjoy luxuries. They live in houses that cost too much, and they drive automobiles that cost too much. The children wear expensive clothes, and go to summer camps. They learn horseback riding, golf, tennis, fancy swimming, and are hauled to dancing school and symphony concerts.

Every daughter seems to be reared to become the mate of a millionaire, and every son is assumed to be destined for fame and fortune. What are their chances?

The United States Internal Revenue Bureau each year releases data relating to the incomes of the people of the United States. After acknowledging that many of us are inclined to understate our incomes when we make out tax reports, we still are confronted by depressing figures. We learn that fewer than 350,000 people in the whole United States report taxable incomes of more than \$10,000 a year. The whole lot could live comfortably and find adequate shelter in Toledo, Ohio. This is the richest country in the world, but even we have only 23,000 men and women with incomes of more than \$50,000.

Too much education

EACH year more than 200,000 youths enter our colleges. What are they thinking about? How high do their expectations soar? What prompts their parents to sacrifice so much that their offspring may enjoy the benefits of higher education?

Are they hopeful that their children will acquire cultural resources that will make them happy, even though the son or the son-in-law never earns more than \$4,000 a year? Will they be contented if the son graduates from an architectural school and never rises above a drafting board at \$3,500 a year?

Or will their disappointment be so obvious that the boy will go into middle-age, apologizing for failure, and un-

able to enjoy the common though beautiful things of life that are the lot of a gardener or a chauffeur?

Where are the ambitious parents who can keep their hands off their daughter when, after an expensive wedding, she attempts to set up housekeeping and live within her husband's modest income of \$40 a week?

Instead of realizing that the young people, now in the full illusion of love, can at this moment, if ever, be indifferent to economic reality, the mother and the mother-in-law are likely to offer them the down payment on a \$15,000 house in an expensive neighborhood. Then, unless further cash is forthcoming the poor bride is compelled to spend most of her day performing the duties of a charwoman.



Most men end up exactly where they belong no matter how they start out

The girl could live within her husband's income happily if she were left alone, but the overhead burden of a large house is too much. Thus begins the endless chain of "not enough to go round."

By the end of the first year the young husband is getting \$50 a week, which represents a gain of 20 per cent. That's not bad. By this time, however, his father has presented him with a membership in a golf club. Even though the father pays the dues, which he probably won't, the young man must buy his own balls, and if he plays with anyone

whose company he seeks, he will probably have to agree to modest stakes, and take the risk of losing a day's pay every 18 holes.

Putting up too much front

IT IS assumed that this treatment is good for young people. It spurs their ambition. It keeps bridegrooms from becoming self-satisfied. Does it? One wonders. Rather, does it not lead to cheap hypocrisy, an endless effort to appear more prosperous than they are. If success is achieved, and the young man's pay amounts to \$10,000 a year, what thrill is left for him? Not even then is he at the place where he can properly afford the standard of life that his parents insisted upon giving him the day he was married. He is not yet saving a cent, so who can be blamed if he consults a mortuary table to learn the expectancy of a rich uncle or his father-in-law? Only an early and unexpected death seems to offer a solution of his problem.

When one realizes that the Community Fund canvassers of Cleveland are unable to locate more than 4,000 persons who can afford to part with \$100 for the annual fund, one who lives in the city must conclude that the standard of living of many of his fellow citizens is a little too high. Yet the Community Fund campaign was inaugurated in Cleveland, and seems most successful in that city.

Wherever one turns, one who digs into realities must face the fact that although this is a rich country it does not contain as many rich people as most of us imagine. Ten thousand dollar incomes are not common. Fifty-thousand dollar houses are more common. Four-thousand-dollar automobiles are still commoner. And American tourists in Europe are even commoner. Most of us are in water that is a little too deep.

What is the solution? I am sure I do not know. Of one thing I am sure, and that is that women are more responsible for our condition than men. The men I talk to are unanimous—almost—in condemning the expenses into which they are led. They resist the burdens that are put upon them, and even when they can afford to pay large fees for fancy recreations for their children, they are doubtful about the effect these inflated ideas will bring.

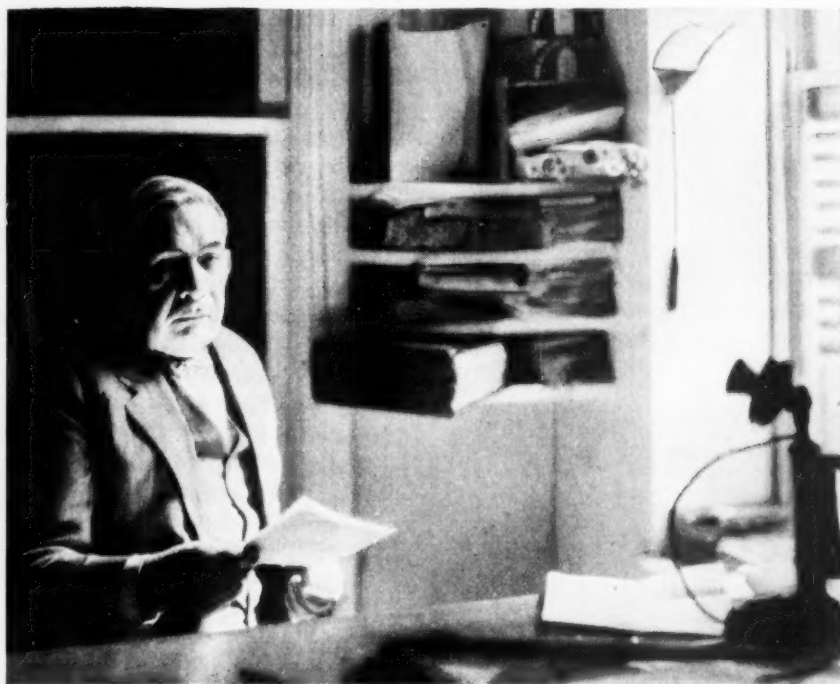
Women have different ideas. Rather than fight, most men strive to increase

(Continued on page 143)

Two Principles That Sell Hardware

By JAMES TRUE

Associate Editor, Sales Management Magazine



W. T. Weaver has run a hardware store more than 40 years

THE YOUNG woman who was showing me through the ancient Georgetown house she was remodeling was indignant. The carpenter had remarked that he never had seen any knobs like the ones furnished for the doors, and that they looked all wrong.

"Why," she said, "they used many of that size and finish when this house was built. I bought them at Weaver's and they assured me that those knobs were authentic."

A day or two later, when I sought the advice of Tom Woodward, the roofing contractor and a handy man with tools, about the launching of a new hobby—the building of a ship model—he said:

"Go to Weaver's. They'll tell you what you need, and they'll sell it to you right. I buy most of my hardware there."

Further inquiry confirmed the impression that W. T. Weaver & Sons conduct an extraordinary store. At least

a dozen friends either were customers or had heard the store favorably mentioned.

When I made my first call at the store about January 20, the business streets of Georgetown, the oldest part of Washington, were almost deserted; but all the clerks in Weaver's were busy.

Forty years

IN his office, W. T. Weaver was writing an announcement of his fortieth anniversary as head of the business, and when I mentioned the incidents that had brought me there to see him, he declared:

●
"IT IS a mistake for a retailer to concentrate on making money on every sale," says W. T. Weaver whose views are expressed in this interview. He explains how 7,000 convenience items which show no profit or only a small one are really paying their way

"Impressions like those are the only real assets of any retail store. We have never run behind in volume or profits a single year, and the reason is the large number of loyal friends we've made.

"We've made many friends because of just two fundamental principles we've always applied. Every successful retailer



The Weaver store, in the oldest part of Washington, pays little attention to modern appearance. Hardware is not fashion merchandise

applies these principles. Success depends on how they are applied. You can't run a business successfully according to any formula, if the spirit is lacking. The faulty following of good rules has killed many a retail store. It's all in the methods you use in expressing the basic economic laws of trade. Establish any good business rule, and you can follow its letter in perhaps 50 different ways; but there is only one right way. We have found the right way to follow the few rules of our business by considering them according to the reasons that make them necessary."

For any store requiring anything like 15,000 items for a complete stock, Mr. Weaver is convinced there is a broad field for specialization. He carries no paints or stoves, or anything in house furnishings. The first rule is to handle nothing that is not closely related to building and the other activities that require hardware, and the reason for this rule he explained in this way:

"It is frequently said that the retailer should be the purchasing agent for his community. This does not mean that the retailer should buy everything that he can sell at a profit. Our method of building business is to specialize on hardware. Others may make money by diversifying and following competition. We have demonstrated that we keep ahead of our competitors by sticking to our line.

Large trade area

"WE DRAW trade from a radius of about 50 miles of Washington, because farmers and others know they can find what they need in our store. Some of our country customers pass a number of hardware stores on their way to trade with us, and this seems to be unusual; but the stores are not real hardware stores. I don't believe any retailer can add unrelated lines without neglecting his original business.

"When you've built up a business on this principle, it's next to impossible for competition to take it away. Last spring, when one of the mail-order houses opened a store in Washington, many hardware dealers were worried, and I guess some of them have felt the competition. If we had been neglecting hardware I suppose we would have lost

some business, too; but our trade has gone right ahead, and last year our volume showed a gain of more than 16 per cent.

"This principle also prevents the danger of adopting too many of the supposed benefits of simplification. Several experts have tried to show us how we could save thousands of dollars a year by eliminating items that sell slowly. It may be true that about 90 per cent of our volume is done on about 8,000 items. It is also true that the items on which we do only 10 per cent of our business net us a paper loss. So it looks as if it would be profitable to eliminate the slow-moving items; but if we did so we would lose a large slice of our 90 per cent volume.

"From time to time, of course, we eliminate dead stock; but we never drop an item that has any business-building influence. As purchasing agents for our community we are willing to handle 7,000 slow-moving items simply to ac-

dle the item. For this reason, few stores carry the size. However, we never had sold a dollar's worth of goods to the firm before the first bolt sale. Since then their purchases of many other items have run as high as \$1,000 a month.

Every sale can't earn a profit

"IT is a mistake for a retailer to concentrate his effort on making money on every sale. If he does, he will lose both business and profits, because he will neglect things that influence trade. I do not mean to advocate price-cutting and offering loss leaders. We price all of our goods fairly and never cut a price. We operate with the primary motive of rendering service, and we are convinced that if a retailer offers real service he cannot help making money."

In discussing the most important phases of retail service, Mr. Weaver mentioned the so-called returned goods evil. Many hardware dealers, it appears, look upon the acceptance of returned goods as a profit-losing favor to be resisted; but Mr. Weaver contends that it should be an important and valuable means of building business.

He mentioned several experiences of customers and members of his family in returning goods to several stores. Usually, the clerk, after asking several questions, called the manager who asked more questions before he reluctantly made out a returned goods slip and finally approved an exchange or a return of the purchase price.

"Stores which operate in this way," Mr. Weaver said, "are keeping the letter of good rules; but by their methods they are turning assets into liabilities. It would be better to refuse returned goods than to accept them in a manner that reflects on the customer's veracity or embarrasses him in any way. If a customer does not want the goods he buys from us, we take them back with all of the

cheerful willingness we displayed in making the sale. This practice has not encouraged the return of goods; it has had the opposite effect, and it has been one of the most valuable factors of our policy.

"As one of innumerable instances, several years ago a farmer from Virginia handed me a pocket knife we had sold



Eight thousand items provide 90 per cent of the store's volume; it handles 7,000 others as a convenience to its customers

commodate that community. The value of this rule has been proved many times.

"About three years ago, a contracting firm sent a boy to the store for an odd-sized bolt. Since then, the firm has bought about two dozen of the bolts from us. On paper we have lost money on the transactions, for it has probably cost us twice the price received to han-

him, and told me that he had broken a blade peeling an apple. Probably he cracked the blade cutting a piece of hard wood or prying something open, and then finished the break on the apple; but I immediately handed him another knife with the assurance that we couldn't allow him to carry a knife of ours that wasn't satisfactory.

"We thought nothing of the transaction until we began to wonder why we were getting so many new customers from the farmer's neighborhood. Then we found that a number of other farmers had driven 30 miles to trade with us, simply because the man who returned the knife had been loud in praise of our store.

"The boys and I could recall a great many experiences of the kind. Our returns are an infinitesimal fraction of our volume; but I know of nothing that makes more business friends. We believe that the acceptance of returned goods



The Weaver store will give much time to the workman who has a special problem. If he needs a special tool, the store gets it

is a necessary part of the service of every store and we have proved that its value to a store depends entirely on how it is accomplished."

Deliveries at any time

ANOTHER phase of the store's service is a willingness to deliver emergency goods at any time. At any hour of the night, on holidays or Sundays, telephone calls to Mr. Weaver's home result in promptly supplying any need. The profit on many of these purchases is trivial and does not pay for the time and trouble; but Mr. Weaver considers them worth their weight in gold.

The organization is also careful not to discriminate against any so-called class of trade. For example, Mr. Weaver believes many workmen are not at ease in some of the downtown stores that cater to the highest class of trade. Therefore, in the Weaver store,

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Weaver's store has built up a large trade among mechanics and members of all trades. The good will thus engendered results in many orders from contractors

Building Efficiency into a City

By W. J. AUSTIN

President, the Austin Company

ILLUSTRATIONS BY EARL HORTER

IF I WERE to plan what I would consider the ideal city for the present day and for what we can see of the future I would take as a beginning three basic considerations. These would be:

1. General location.
2. Site.
3. Plan.

The general location would be one fronting on navigable water. This may sound trite, because most of the important cities of the world front on navigable rivers, lakes, bays or oceans.

Commerce and industry are responsible for cities.

It has been well said that where trade routes meet cities grow and because the greater share of our prosperous cities are industrial they have grown where land and water trade routes join.

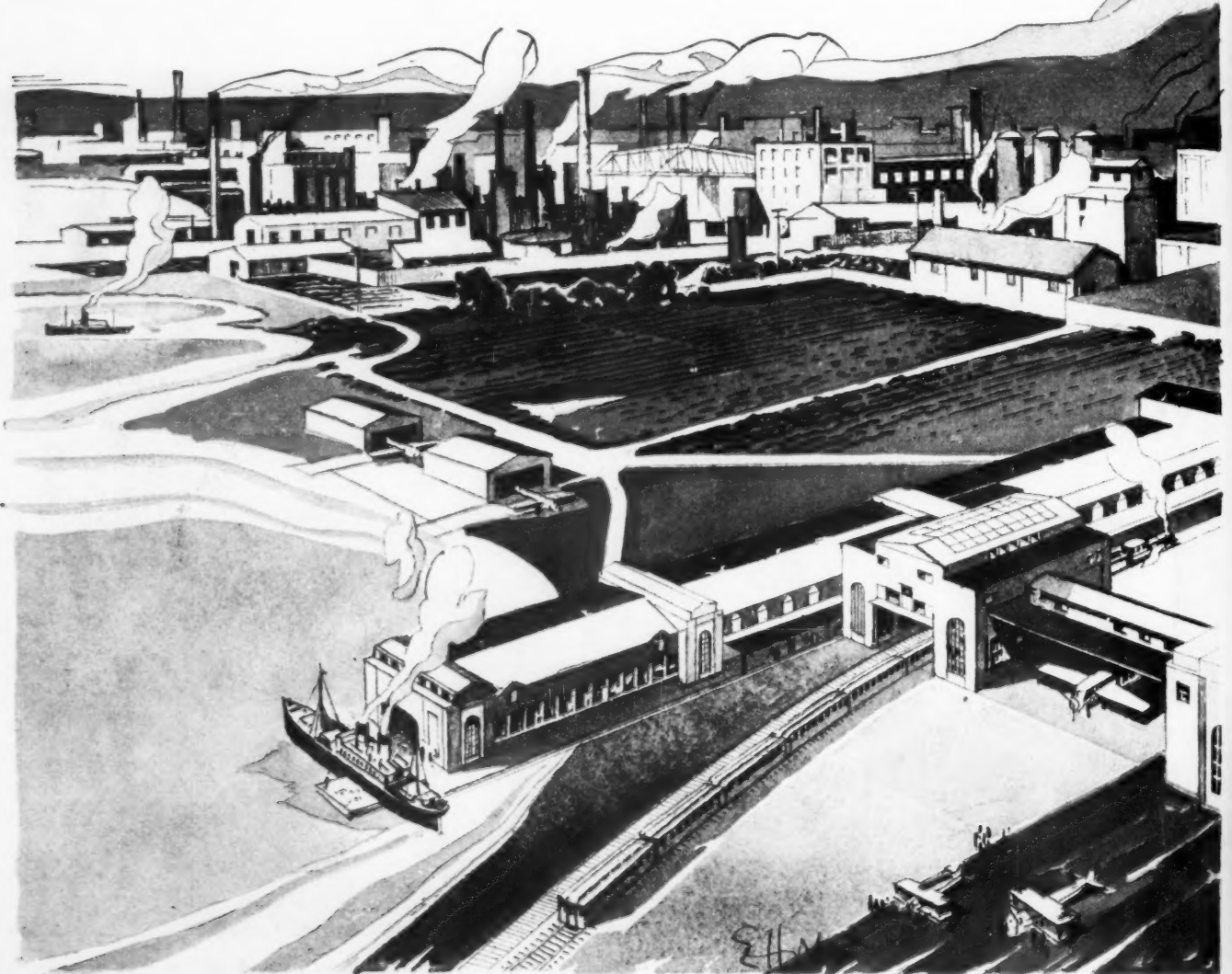
Level ground for business section

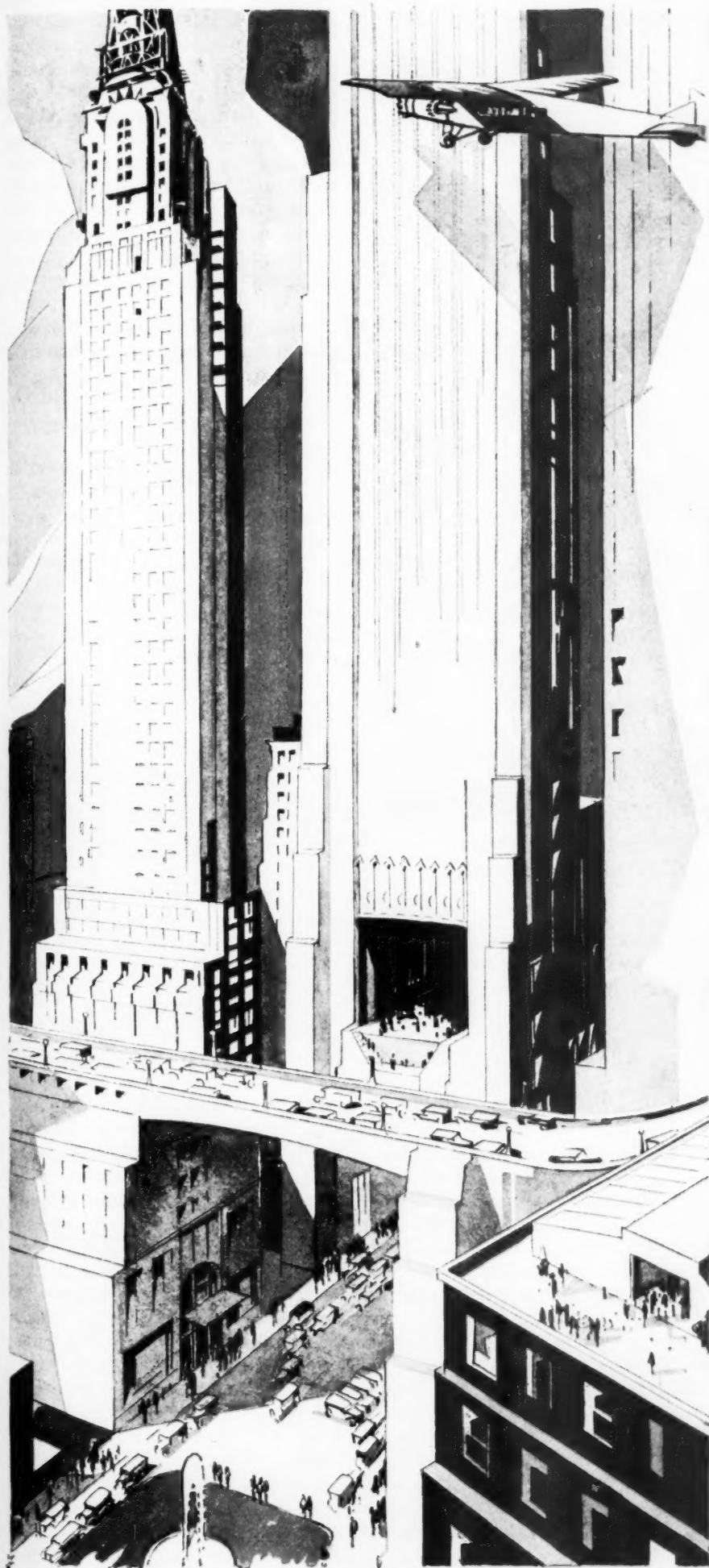
THE site of the ideal city would have to be level for a mile or more back from the water front. Rising ground further than that from the water front

would, however, present no difficulties.

The first step in the plan for an ideal city would be to protect the water front for the benefit of the city as a whole. I would reserve a strip from half to three-quarters of a mile wide along the whole water front. This could be parked where it was not otherwise needed, but wharves and warehouses for water transport would be built at the water's edge, with railway tracks and interurban lines immediately adjoining them.

In this water front strip, immediately opposite the mercantile center of the city would be the downtown air field, the union





THE MODERN city is merely an industrial machine and should be designed as such if it is to flourish. City planning, viewed in this light, becomes a job for business men, says Mr. Austin, who points out that there is a best place for everything in a convenient and comfortable city

railway passenger terminal and the terminal and docks for passenger steamers, all connected overhead or underground. The interurban cars and intercity buses would use the same terminal as the trains. The railway tracks would be electrified.

This downtown air field would be for landing and take-off of passengers, mail and express only. The real airport, with its hangars, repair shops, instruction fields and offices, would be farther away in any good location where it would not interfere with the city's development.

Transportation center

THIS arrangement would make the water front the point of entry and departure for all passengers, no matter what transportation system they might use. We might say it would be the city's front door. It would facilitate the transfer of passengers from one transportation system to another and greatly speed up the handling of air mail and express.

I presume I may be criticized for proposing to leave rail lines at the water front. Some may argue that they should be put back in some obscure location, leaving the water front for public enjoyment. But a city is a business organism and only justified by the business it does. If goods cannot be economically transferred from boat to train or train to boat in one city they will be sent where they can be.

It does not necessarily follow, however, that the ideal city cannot have its rails at the water front and still have parks for public enjoyment. Railroad rights of way can be set apart, crossed by bridges where necessary and be both safe and clean but they must be where business dictates



If goods cannot be economically transferred between forms of transportation in one city they will be sent somewhere else

their location. Next to the reservation of the water front for the advantage of the whole community, the most important step in the ideal plan would be to zone the entire city, so that its growth would be balanced and orderly. Naturally the center of the city, immediately adjacent to the terminals, would be the merchandising section. Surrounding this would be a section for wholesale warehouses and light manufacturing establishments whose business required downtown locations.

In zoning such a city I would not want to keep all those manufacturing plants which create no nuisance in the downtown section because of the traffic complication. In these days of electric power from central station power houses, many factories create no smoke or smell and can be housed in architecturally attractive buildings.

I would differentiate between such plants and those which are detrimental, and spot zones for the clean manufacturing around the city. Under the present development of the average city there is a growing tendency of light

manufacturing industry devoid of nuisance features to move into portions of the city where land values are comparatively low. Impetus is given this tendency by the superior economy and efficiency of the single story plant, which naturally requires more ground area than the multi-story type.

Workers' homes near factories

THESE same sections, because of lower land values and the proximity of employment, would be zoned for residential sections for working people. The industrial plants in such neighborhoods, restricted to attractive architecture and landscaped grounds, would be an adornment rather than a detriment to the surrounding property.

The scheme of city planning I have in mind would locate such neighborhoods in intermediate zones throughout the city, with ample auto parking space provided. Although employees' homes would be built near the industrial establishments it would, of course, never be true that employees would all work

at plants within easy walking distance.

Heavy manufacturing, such as foundries, blast furnaces, chemical works and similar industries which produce smoke and fumes, would be segregated at one side or the other of the city, depending on which quarter the prevailing winds are from. If there is a tributary stream through the city site I would put such plants beside it, unless that brought them where the prevailing winds would carry their smoke and fumes over the city.

In any locality the winds blow from one direction more frequently than from any other.

Carefully planned zoning

IN an ideal city plan, if the prevailing winds were out of the northwest, I would put the heavy and nuisance manufacturing sections in the eastern part of the city and zone the territory east and south of them for additions in kind as the city grew. Then, at least on most days, the smoke and fumes would blow away from the city.

Having provided for the business and manufacturing of various sorts and the residential districts for industrial workers the zoning for other and purely residential districts would depend largely on scenic beauty. The zoning for outlying retail districts to serve those residential neighborhoods would depend on them.

One thing to keep in mind in zoning an ideal city would be to allow sufficient room for expansion in the zones made for each class of business or industry, to avoid the hit and miss growth characteristic of so many cities today.

Several general rules should be laid down. I would have no street less than 60 feet wide and all the main streets would be at least 100 feet in width, with definite parking space at each side. Streets of 100 feet or more would meet all main county highways squarely. In many cities a broad county highway becomes a narrow and crooked street at the city limits while two or three blocks away a wide and straight street extends to the city limits and then runs off into a secondary road.

I would have all sewers, water pipes, conduits for lighting wires and telephone lines and all heat mains from central heating plants laid under the sidewalks. They need frequent attention and the tearing up of street pavements for repairs or new installations causes traffic congestion. A temporary crossing can be arranged for pedestrians and used with safety, while a break in the street

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Railroad Rates and Consolidation

By AGNES LAUT

Author of "Romance of the Rails"

- IT HAS been argued that consolidation of railroad lines would mean higher freight and passenger tariffs. If that is true, the business man should know. Miss Laut, a student of railroad history, has gone back into the past to find if history supports this argument. The facts she brings to light are pertinent and vastly interesting

traveled over all lines both before unification and since, and know nothing better since its consolidation and recall nothing worse on certain sections both East and West before consolidation.

Where service was poor

I RECALL once coming up from Newfoundland where I saw train hands hold up a sagging cow-catcher to avoid ripping heaving ties and we were delayed hours by lack of fuel. I recall again two other units—one up Dauphin Way, another across east to the modern Pas Mining Centre. On the former, not a sleeper nor parlor car ran, and the time schedule was a joke. On the latter, ties and rails had been laid on such a bog not a train man would risk his neck over them. On both today you can travel as comfortably as in New York.

Did consolidation raise fare and

CONSOLIDATION is no new thing in North America's various systems of rails from Saskatchewan River to the Rio Grande. It is old as the rails themselves.

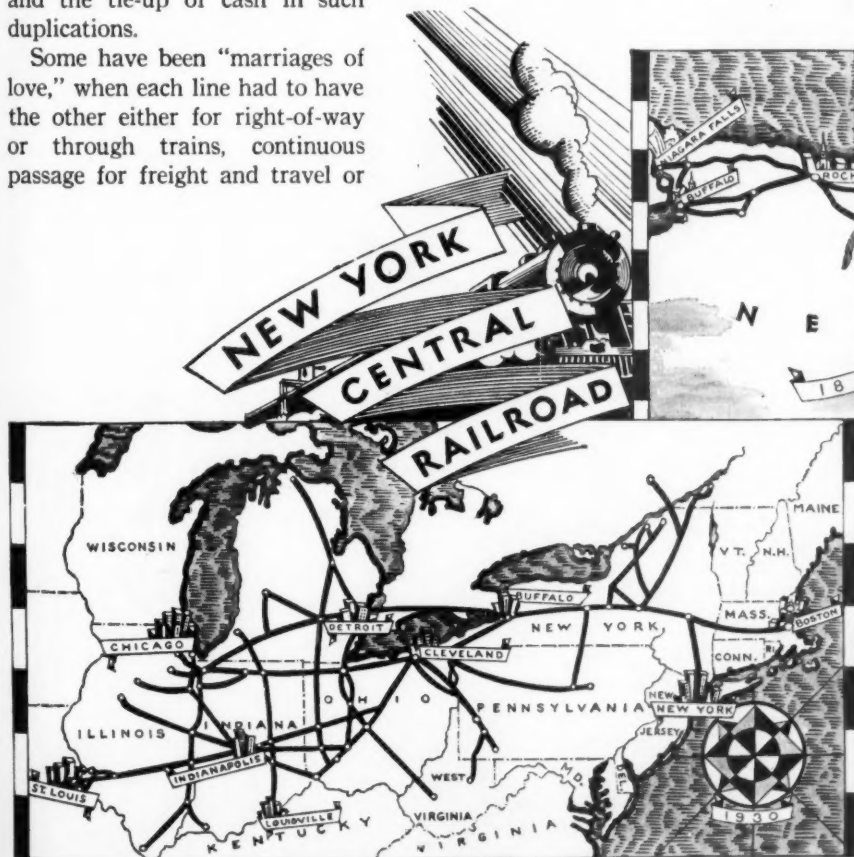
Some have been "marriages of necessity," when one line married its next door neighbor to unite the properties and to avoid double hauls, double terminals, double equipment in running stock, stations, freight sheds, water tanks, coal storage, purchase of supplies and the tie-up of cash in such duplications.

Some have been "marriages of love," when each line had to have the other either for right-of-way or through trains, continuous passage for freight and travel or

constant exchange of daily advantages.

Some have been "shotgun marriages," when one line forced another weak one into union by buying a dominant share in its stock or pushing it to the verge of ruin; and a few have been sheer plunder unions, to acquire a good inheritance.

The Canadian National System from the Atlantic to the Pacific is made up of 92 units. Some were marvelously prosperous and excellent in service from the first; others were poverty stricken and hag-ridden by mismanagement. I have



The New York Central began its consolidations in 1853. Today its lines extend far west of Chicago

freights to users? It did not. It lowered both and gave to its patrons, subject only to the vicissitudes of flood or frost, blizzards or washouts from thaws, as good service as in New York State.

The Canadian Pacific was planned from the first as an Atlantic to the Pacific highway. How many weak little



brothers it has gathered in its fold, I do not know; but from the latest Dominion Government report, you can see that by lease and purchase it has more than a dozen in its adopted family and, by natural extension of its lateral feeders, easily as many units as the Canadian National.

Quite different was the inception of the Great Northern. It was planned from the first to go ahead link by link as returns justified extensions and freights promised a permanent future until it extended from St. Paul to the Pacific. If you look at a map, the Great Northern now resembles a gigantic fish with back bones extending south to Chicago and reaching halfway to San Francisco. It goes up to Manitoba and British Columbia and south to Montana and Oregon and before these words are in print may have the Interstate Commerce Commission's permission to go on to San Francisco.

Growth by mergers

THE same is true of the Northern Pacific. If you include in their family union the Chicago, Burlington and Quincy, jointly owned by the two, you have added to them a rail that began as a device to get across the sloughs from Chicago to Aurora and then added units. Today its family of adoption reaches from Lake Michigan to Montana and from Chicago to the Atlantic and Gulf by lease, running rights and purchase.

The original little Chicago, Burlington and Quincy adopted 203 units. Did consolidation hurt the Chicago, Burlington and Quincy? It has one of the longest records for dividends in the United States. Did it raise costs to users? Look up what merchants formerly paid freighters for hauling goods out from Chicago to Aurora—anything from \$100 up or down for a load and frequently the goods were ruined by a sudden upset in the mud.

A shipper can send today from Montana points to the Gulf a ton at less than it used to cost him by disjointed rails and water as \$1 is to \$25.

As a matter of fact, it costs more in New York City to truck fresh foods through crowded streets with delays in

every square from blocked traffic than it does to ship that food from one to two hundred miles.

The same story could be told of the Chicago, Milwaukee and St. Paul, the Chicago and North Western, the Rock Island, as of the Chicago, Burlington and Quincy. All began as little 25 to 40 mile lines and added link by link until each reached across a dozen states.



The C. B. & Q. looked like this in early life. Its 203 adopted units today reach from Chicago to the Atlantic and Gulf

Of north and south rails, the Illinois Central is the best example of consolidation. It began in 1859 with 707 miles. Today, by lease, purchase, construction, it has 6,218 miles and reaches from Chicago to the Gulf of Mexico and through Georgia to the Atlantic. It has a continuous flow of traffic both ways because North and South must always interchange products. What one raises, the other, owing to climate, can't. What has been the reaction on rates?

Rates then and now

IT USED to cost \$600 to get a ton of freight or one passenger up the Mississippi and Missouri to points in Montana and on the Lakes. Today you can ship across the Pacific, the entire American continent and then across the Atlantic to Europe for less.

Water is supposed to be the cheapest track bed for traffic in the world. This is true only of ocean traffic. On inland waters even in the days when wages were \$10 a month for Indians and 24

hours a day, it cost more than \$4 to convey one bushel of grain from Montreal to Fort William on Lake Superior. Today the cost by rail is from four to nine cents from lake head to ship side.

The Union Pacific which began as a transcontinental from Omaha to Salt Lake now has, by adoption and purchase, assets of more than a billion. It was sold on the junk heap of bank-

rupt rails within the memory of men now living for 57 millions and its bankers had chattering teeth and goose flesh over the purchase. The decrease to the shipper has transformed the desert of a dozen states into a garden.

Or take the Santa Fe. When Cyrus Holliday, its founder, got a dinky little line with a wheezy engine and a few freight cars with benches rigged up as seats rattling out from Topeka for 12 miles and then predicted it would yet reach to Chicago and the Pacific, he was "boo-ed" by the crowd.

Yet the Santa Fe, like the Union Pacific, has transformed a desert into a garden and its own assets exceed a billion. The Santa Fe can boast it is in no sense a consolidation. It grew as receipts permitted it to grow, but it has adopted many a little weak brother which would have perished if the Santa Fe hadn't adopted it.

Did rates from consolidations hurt the shipper? They couldn't. The Santa Fe, like the Union Pacific, was from the first a granger or farm road. It knew

it had to make the farmer prosperous or he would not come in, and he would not stick if he did come in. The prosperity of one was bound up with the prosperity of the other.

Three eastern systems

OR TAKE three of the most powerful lines now girding for greater consolidation in the East, the New York Central, the Pennsylvania, the Chesapeake and Ohio and Erie systems.

The New York Central began its consolidation in 1853-59, with 11 little lines from Troy to Buffalo. Today its links extend by ownership far west of Chicago; by lease down into Ohio and West Virginia and Pennsylvania; by purchase pretty nearly wherever it can obtain interchange of traffic, passenger or freight. Rates have been lowered from Commodore Vanderbilt's day and, better still, the slashing of rates, rebates and so on to ruin rivals or play into the hands of stock gamblers stopped forever.

The Pennsylvania began with the colossal ambition of reaching from Philadelphia to Harrisburg and then from Harrisburg to Pittsburgh. It had to peddle its stock from door to door in Philadelphia at \$1 to \$5 a share to get going, and no investor ever expected to get profits. All he hoped was to get trade from the West to help business in Philadelphia.

Where has consolidation extended it today? Across eight states to St. Louis and Chicago. Its assets are more than two billion dollars.

Like the Illinois Central, the Chicago and North Western and the New York Central, it has one of the longest records for dividends never missed. Its dividends for its history now exceed a billion.

One hardly knows whether to begin the story of the Chesapeake and Ohio with the Erie or the Chesapeake and Ohio. Both had the same ambition—to obtain the great traffic to and from the West. The best example I know of what these rails did for rates is coal. Coal cost New York before the rails brought it north \$14 a ton. The rails brought that rate down to \$5 a ton. Before the consolidation, I traveled over both these lines. Terminals were a horror. Week-end crowds milled round like cattle in a pen seeking in vain for information as to which train to take, sitting on their baggage because there were no seats elsewhere.

Pullman passengers scurried in vain for porters to get them and their baggage across ferries, or shivered on Lake

points at sunrise waiting for trains, while distraught baggage men explained these lines were coal carriers, and passengers evidently were classed a nuisance baggage.

I have had to bribe tramp loungers waiting to steal rides to toss my bags on after me. Since consolidation there are luxury trains for all long-distance passengers. Rates have not increased but terminals provide good stations.

Best of all both lines were brought up to a dividend basis from sheer improved earning power. The consolidation aiming at an Atlantic to Pacific line is more than a change. It is a transformation such as Harriman worked on the old Union Pacific.

The record of consolidation in the Southeast is almost impossible to tell, first, because the lines began in still smaller more disjointed links than in the North; second, because the Civil War reduced most of these links to junk heaps and the records were lost.

Where old consolidation thought in terms of hundreds of thousands or trembled in terror at ten millions, consolidation today contemplates hundreds of millions.

How about "watered stock" injected to effect greater expansion? Valuation proves there is no "watered stock" in a single trunk line in the United States today; and before the I. C. C. permits any consolidation, "watered" stock is examined with a force pump, and if values don't equal stock the consolidation is forbidden.

Consolidation can no more pause now than it did in the past. It is forced by facts, not by theories. It is also forced by the Transportation Act of 1920. Why then has consolidation not gone ahead? Frankly because the Clayton Act of 1914 stands in the way. President Wilson did not favor that Act but in the stress of War days it slipped through. Exactly how that Act is to react on rails has not yet been defined and must be clarified by Congress.

It was not designed against rails. It was rather designed against the stifling of competition among all interstate corporations.

To the picture of rail consolidation in the past and voluntary consolidations for the present, the Interstate Commerce Commission's plan recently issued adds but little. This is apparent on even a cursory glance over the major big systems from the Canadian boundary to Mexico—and even across these boundaries where American lines connect.

Take what is known as the Hill system first, The Great Northern and

Northern Pacific are to be permitted to consolidate; but they must divest themselves of the Burlington. The saving here is frankly acknowledged as ten million dollars a year in duplication of parallel lines, stations, equipment, trains. Train schedules will not be reduced but the number of trains on each line can be. Why have a Northern Pacific train shooting along one set of rails when a biscuit toss across the way is a Great Northern train going in the same direction, and each is only half filled, be it passenger or freight?

The nub of the difficulty here is the Chicago, Burlington and Quincy. Both lines must have access to Chicago for through traffic east. Likewise both lines must have and should have access south to the Gulf of Mexico and to Pacific areas of San Francisco. These are for convenience to travelers and still greater convenience and lessened cost in transfer of traffic.

But to go back to the finance of the thing.

Hill ran up the price

WHEN Mr. Hill realized that north and south lines were necessary to assure prosperity of east and west lines the Chicago, Burlington and Quincy was valued at about \$139 on the open market. Mr. Hill got complete control by paying as high as \$200 a share. Since then the Chicago, Burlington and Quincy has become one of the best and most continuous dividend payers in the United States.

If compelled to divest themselves of the Chicago, Burlington and Quincy, are the Hill lines to sell it in the open market at the best they can get or put it in a holding company by which each system can retain its identity yet not lose traffic connections?

The Clayton Act hardly comes as a factor here at all. By no stretch of fancy can any one of the lines be described as eliminating free and open competition in rates. They are not parallels. They are wide circuits of traffic gatherers and can only serve shippers as they facilitate shipments. The prosperity of each line is bound up with the prosperity of each zone.

The problem the Hill lines face is practically the same faced by other lines asked to divest themselves of an arm or leg to their main body.

It is to be noted here that the Interstate Commerce Commission does not contemplate enforcing consolidation. It is not authorized by law to do so. It must leave such action to the voluntary

(Continued on page 138)



"It's the chained store, not the chain store, that hurts my town"

My Town's Stores Need Merchants

By W. O. SAUNDERS

Editor, Elizabeth City, N. C., Independent

DECORATIONS BY DON MILLAR

IT ISN'T the chain stores so much as the chained stores that mar and depress our town.

Elizabeth City, N. C., with a population of 12,000 a third of whom are colored, is just about an average town. I have been publishing the weekly newspaper there for nearly a quarter of a century. The bulk of a newspaper's revenue comes from its advertisers. Its advertisers are its community merchants. I think I know my merchants.

I discovered several years ago that merchants worthy of the name are comparatively scarce in my town and that most of the store buildings are occupied not by merchants, but by storekeepers. That's why the chain stores have gotten a foothold in my town. Most of our stores are chained; chained to old-fashioned notions and obsolete methods of doing business.

First came Woolworth's selling for a dime pans that our stores had been selling for 25 cents. The local dealer would buy two or three dozen pans and put them on a top shelf. He didn't sell a pan often and he had to figure a big profit on it. Woolworth's put their pans

on tables where folks could pick them up and sold 20 pans where the home-town man sold one.

Woolworth's also made it possible for home-town folk to buy hardware. We had hardware stores in our town; but the average householder seldom knows the name of the hardware items he wants and he just doesn't bother to shop when he doesn't know what to ask for. Woolworth's put the hardware in sight with price tags on it.

Learning from the chain

LATER a couple of enterprising chaps clerking in retail stores caught the Woolworth idea, opened a new kind of hardware store, put all their merchandise in sight, kept the most wanted things up front, put price tags on their stock. They have scored a success.

Next came the chain groceries. Most of our groceries were dark, dirty, and loaded with old merchandise. Instead

A CHAINED store, says Mr. Saunders, is an independent store chained to old-fashioned notions and obsolete methods of doing business. He blames such stores for the business woes of his town and intimates that his town is just like yours. From your observation, is it true?

of giving all of his business to one jobber who would split cases for him, the average grocer entertained every traveling salesman who came along and, if he liked the salesman, loaded up with more stock than he could sell quickly. The surplus stock lost luster and stayed on his shelves.

The chain stores turned their merchandise over quickly, kept their stocks fresh, kept their stores clean, created an atmosphere of fair prices by putting price tags forward, and most of the home-town grocers found their trade deserting them. Then came a general cleaning up of neighborhood groceries.

Then came the chain drug and toilet



The home-town boys who are up on their toes are holding their business despite the chains

articles dealer. Small-town druggists got the state legislature to pass a bill preventing the chain stores from calling themselves drug stores, because they maintained no prescription counter. They also got a law prohibiting the chain store from dispensing bromo seltzer at the fountain because it didn't employ a pharmacist. But the chain drug store continued to thrive, even when legislated into anonymity.

Real merchants can compete

THE chain store drove scores of storekeepers in my town frantic. But the real business men have managed to survive. They broke their chains.

The best of our furniture business was going to stores in a city of 175,000 less than 50 miles away. A comparatively obscure little furniture store in our town, which had always carried only the cheapest oak and walnut finished veneers, polished up a show window and planted a Wilton rug and a \$450 suite of furniture in it. One of the partners in the business did this. The other partner nearly dropped dead and closed out his interest in the firm immediately rather than carry on with a partner who would sink more money in one suite of furniture than they ordinarily spent on a carload.

But the suite was sold that week. Other fine suites of furniture appeared. Other furniture stores took notice. Elizabeth City folk had been buying fine furniture for years and no local dealer had tried to sell them before. I was carrying a large volume of furniture advertising out of the nearby city. Today I do not carry a line of foreign furniture advertising; two enterprising local furniture dealers have sewed up the home business; the big town can't get it. Our furniture men stepped out of the business of storekeeping and became masters of merchandising.

Our men's clothing dealers were in a blue funk; the best-dressed men bought their clothes in Norfolk. The less finicky bought mail-order clothes or gave their orders to itinerant clothing agents. Then Walter Harris put in Fifth Avenue fixtures and lighting, stocked up with 2,000 suits and dressed up his show windows. All the other stores in town put together didn't carry that many men's suits. Walter was crazy, his competitors said. But Walter got the business. He knows his home-town folk and they know he has the goods.

The chain groceries were playing havoc with the wholesale grocers. Local jobbers couldn't sell to chain stores; disaster threatened them. Bill Woodley

bought a fleet of handsome delivery trucks and established daily deliveries to retailers in five counties. The country merchant 50 miles away no longer had to wait on freight and express shipments and pay the carriage charges; he could place an order with Woodley in the morning and have the goods on his floor, delivery free, in less time than it would take to get an order to the average jobber. Woodley added building materials to his grocery line to make more work for his trucks.

A lot of jewelry business was going out of town. The Selig boys built a new store, put a city front on it, installed the handsomest fixtures they could buy, loaded the place up with nationally advertised lines. "If we don't show our home folk the goods they'll walk off and leave us or some one else will come in and set up a store that will beat us to it," said Jule Selig.

Time has proved he was right.

The retail meat business was lagging with Marion Love. Chicago, Baltimore and St. Louis packers were stocking every store in town with sausage, frankfurters, meat loafs and hams. Love's meat market was piled high with unwanted cuts. This home-town butcher set himself up a sausage factory, was enabled to handle more meat and supply more choice cuts. He quit talking hard times.

Pookey Williams set up a little fruit stand and confectionery store.

"F'r heaven's sake, Pookey; don't you know there are more pop shops in town now than you can shake a stick at?"

Giving them what they want

BUT Pookey had an idea. Instead of stocking 15 or 20 five-cent package goods, he stocked them all; a candy manufacturer had only to spring a new one and Pookey stocked it. Pookey recently doubled the size of his store.

Three indifferent moving-picture houses were struggling for existence. Their patronage was so slim that they didn't feel justified in buying the better pictures. Then Billy Culpepper spent \$15,000 for an organ, spent another \$10,000 for a sound system; contracted for the highest priced Broadway hits; filled his theater nightly.

Sure! Home folk wanted the best and were willing to pay for it. In fact they had been going to Norfolk at least once a week to see pictures that were not shown in Elizabeth City. When they went to Norfolk to get entertainment, they dropped a lot of home-town money in the larger city for other things. Ossie West died, leaving a struggling little



If he liked the salesman, the average grocer would stock up on more goods than he could sell quickly

clothing store and a wife with a house full of children. Mrs. West had a store on her hands and nothing else to live on. Her mercantile experience was limited, but she applied the commonsense principle of asking herself what was lacking in other stores.

Out of her own experience as the mother of a large brood of children she knew that other stores were paying too little attention to children's wear. Mrs. West played up to the children and their mothers, filled her racks with dresses, rompers, coats, caps and things for children two years old and up. She has gone into larger quarters and is seeking still larger quarters.

I am convinced that our major trouble is not the chain store as much as the sluggish, unimaginative, indifferent home-town storekeeper. My little town is full of them.

Merchandising today is not a matter of buying something at one price and selling it at a higher price. Before the days of good roads, automobiles and chain stores, storekeepers could do that. The public was at the mercy of the storekeeper; it had to buy what it could get.

But now its wants have been educated and intensified and buying opportunities have been infinitely enlarged.

There are more than 200 stores in my town. A large per cent of them have no qualifications for business except a medium ability to use a pair of scales and a yardstick and to make change.

In their eagerness for business and their stupidity, they are the victims of

every new crop of dead beats. They can't collect their accounts and they neglect to pay their own bills.

One of them stopped me in front of his store the other day and said he wanted to sell me some silk hose. He had never sought my business before and was baiting me now because he had seen me in conversation with a local agent for an Indianapolis hosiery mill. I told him shamelessly that I had just placed an order with the mill agent.

"That's what ails business in our town now," said the storekeeper.

"Let's see about that," said I. "Where do you buy your hose?"

He informed me that they were made in Madison, Wis., and purchased through a jobber in Philadelphia.

"All right," said I. "You send the wholesale price of your hose to Philadelphia; all the money that is kept at home is your profit and you don't keep much of that at home because you buy most of the things you need wholesale, cutting your fellow retailers out of the business. Poor old Jerry W—— who just took my order for Indianapolis hose sends the wholesale price to Indianapolis and spends his profit at home. Now if you have enough enterprise to discover why I preferred the mail-order hose to your hose you are going to improve your business 100 per cent."

Independents can hold their own

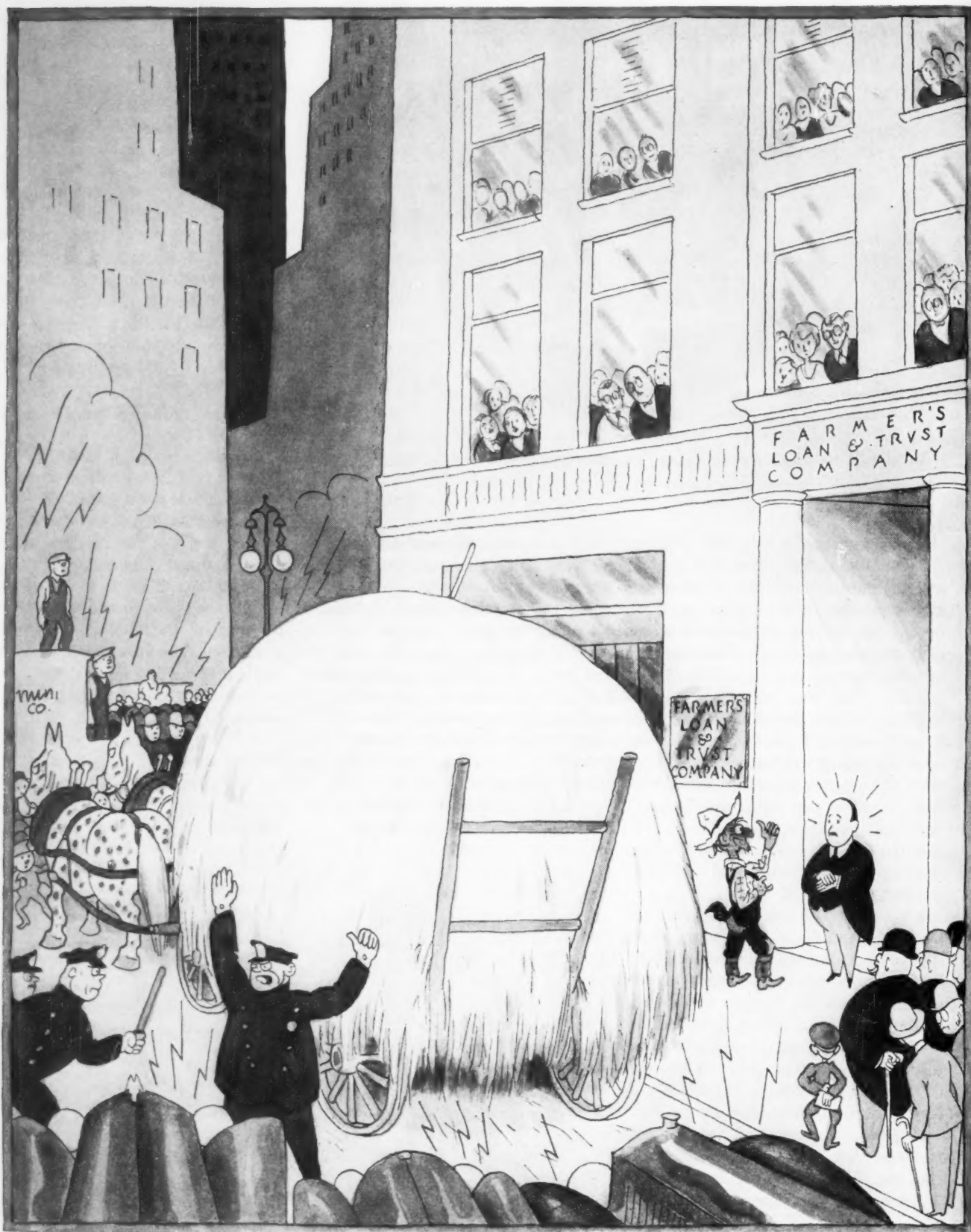
I AM no booster for chain stores; in many ways they are a curse to the small town. They do not help to build a town; they wait until it is already built and all set for business before they walk in.

They thrive because they come to supplant the little local fellows who haven't the vision or enterprise to make the most of their home-town opportunities. The home-town boys who are up on their toes, studying their local trade, cultivating it and delivering the goods are holding their own or doubling it.

But if the chain stores succeed in forcing about half of our storekeepers out of business we'll have a cleaner, livelier, more attractive, more progressive and in every way happier town.



Woolworths put their pans on the counter where folks could pick them out. They sold 20 pans to the independent's one



5 • Embarrassing Moments in the
Lives of Great Business Men—By Charles Dunn

★ The president of the Farmer's Loan and Trust Company receives a visit
from a dirt farmer who wants to be trusted with a loan on a load of hay

★ **WHEN YOU** stop your car at a roadside stand to buy a hot dog you are saving time and relieving the tedium of your journey. You are also proving a fact that Samuel Slotkin discovered long ago, a fact that Mr. Corey explains here



BLANK AND STOLLER

SAMUEL SLOTKIN

The Secret of Being Rich and Happy

By HERBERT COREY

THIS will be an effort to hold a light and insouciant tone toward such practically sacred objects as dollars. This writer has discovered how money is made and he wishes to pass on the recipe. Presently each of us may be rich and happy. He will offer in support of his advice:

1. An enthusiast who, as president of the Hygrade Food Products Corp., is the sixth most important manufacturer of prepared meats in the world. Maybe he is the fifth. He never checked up on himself. But he is superbly oratorical about his frankfurters.

2. An explanation why the United Cigar Company is going in for sodas and sandwiches.

3. Sir E. J. P. Benn, Bt., of London, who came over here on a voyage of discovery and wrote of what he found in an almost rapturous vein.

He had been soaked for a lifetime—it is he who says it—in British theories of economics. He believed the universe owes each man his bread and cheese and pint of bitter. If there were two men and one job it was quite right to cut that job two ways. Then he heard Secretary of Labor James J. Davis expound the American theory. It seemed heartless. All the nasty things he had heard of our dollar grabbing came into his mind. Not until he saw how it worked did he get them out. As Davis enunciated the theory it is:

"Nothing for nothing."

Philosophy of doing to live

NO ONE is entitled to loaf and live at the state's expense. There is nothing new or un-American in this. In the days when a woodsman unhooked a 12-pound

rifle when he began to think about dinner he said the same thing in another way:

"Root hog, or die." That became a national slogan, almost.

As Benn pursued his inquiries he lost the horror he first registered. The man who gave nothing for nothing was prepared to give big value for something. My friend, the manufacturer of prepared meats, puts the same thought in the phrase that opens the road to prosperity. Samuel Slotkin says:

"The way to make money for yourself is to make money for some one else."

He goes a little farther:

"Find out what the customer wants before he knows he wants it.

"Give him more than he expects and you will keep him."

In cheese-and-cracker-barrel days

packaged crackers were scorned as a city notion. Canned bacon was received with harsh laughter. A frankfurter was a quaint German interference with appetite. Now there are more hot dog stands than there are mosques in Turkey.

This is almost the first time that Slotkin's name has appeared in print. In the news columns, of course, when from time to time he added another of the 15 companies he now controls. But he has never sought publicity. I discovered him by accident. A friend said that he knew a man in the food line who had ideas. My friend had been attracted by his enthusiasm. As they walked through the factory in Brooklyn, Slotkin would from time to time pluck a ripe frankfurter off the production line:

Making a hot-dog enthusiast

"EAT this," he would demand, his eyes shining. My friend would reluctantly oblige. He had not then become a frankfurter addict.

"Isn't it fine?" Slotkin would ask. My friend was obliged to admit the truth.

"The best and cleanest food in the world," Slotkin told me.

The United Cigar Company has just bought a share in his business to get his meats for the lunches and sandwiches with which it proposes to buttress trade in its street corner stores. Slotkin deprecated the roadside shacks in which frankfurters are purveyed to the fleeting public and interested the Standard Oil Company in sausages. Now selected Standard Oil service stations will offer the simpler necessities of life to the automobilists buying gas and oil.

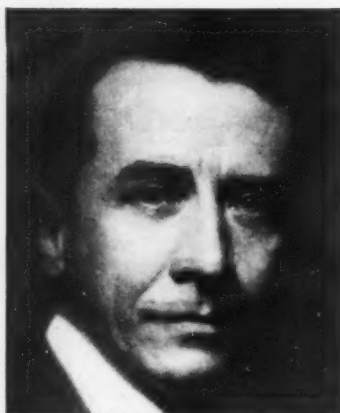
"Give the customer what he wants before he knows he wants it."

Years ago he noted that the American housewife was dismounting the broiler and biscuit tin from her domestic escutcheon. With the coming of the movies and silk stockings, pies like mother made went into the discard. Slotkin is a cynic about these pies, anyhow. Mother wasn't much of a cook. She talked a good deal about it, and her men folk kidded her along for fear she might stop cooking, but she was not more than 50 per cent efficient. She spent a lot of time in her kitchen:

"Why shouldn't she?" asks Slotkin. "In those days her time wasn't worth much. What else could she do with it?"

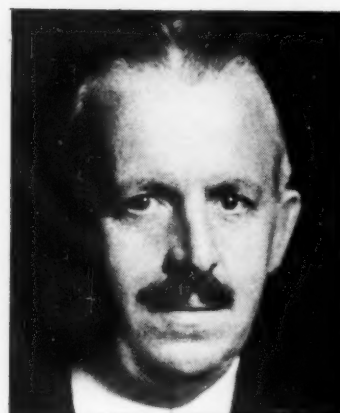
He was just beginning life with his butcher shop when he observed that she was beginning to find other uses for hours. There were culture clubs and

BUSINESS FOLK IN



BUILDS UP

An office boy 32 years ago, A. J. Eken, builder, is made a member of Starrett Bros. and Eken, New York



NEW LEADER

Elisha Walker and associates head the Transamerica Corporation on A. P. Giannini's retirement



HEADS CHAIN

When a new deal was made in the Kroger grocery chain, A. H. Morrill, Cincinnati, became president



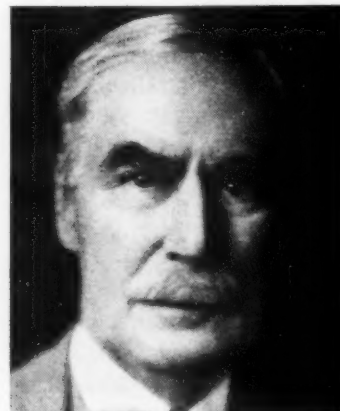
NEW FIELDS

C. E. Thompson, Cleveland automotive pioneer, turns his attention to international plane races



WINS AGAIN

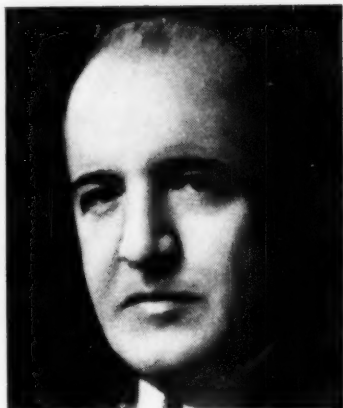
Carl Gray's Union Pacific Railroad for the fifth time wins annual accident prevention contest



IN MERGER

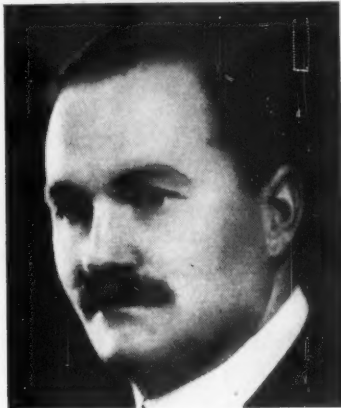
In the thick of the Youngstown-Bethlehem merger fight is J. A. Campbell, Sheet and Tube chief

THE MONTH'S NEWS



MANAGEMENT

W. J. Graham, Equitable Life vice president, is made head of American Management Association



UP NORTH

Canadian Finance Minister C. A. Dunning has a budget and tariff which make our exporters wonder



AIDS RUSSIA

Ralph Budd, Great Northern president, advises the Soviet in the rebuilding of its railroad system



FORTIETH YEAR

Railroad Cooperative Building Loan Group, N. Y., headed by G. A. Martin, celebrates birthday



YOUNG BROKER

A seat in the Philadelphia Stock Exchange at 22 is the record of Robert Guariniery, ex-newsboy



TOWN BOSS

Said to be the only woman city manager, Vivian Milner directs the affairs of Kinsley, Kansas

bridge and motoring. If she were compelled to stay in the house she would be discontented. Therefore she would not stay in the house. Yet, observed this wise butcher, if she does not appease father with edibles when he comes home that mediaevaly minded person will make severe noises. In the interest of the American home Slotkin perfected and disseminated the delicatessen.

"I wanted to be of service," he said. "It isn't enough to make money. I wanted to make life more pleasant for other people."

I believe him. No one can be as enthusiastic as he is for money alone. Money greed presents different symptoms. Now he is planning to relieve the housewife of the tyranny of the butcher—that's what he calls it.

"I like to talk about these things," he explained. "It keeps up my enthusiasm. The more I can talk about them the better I like them."

He has been in the packing business all his life, and he regards it as an unprogressive line. Not in the mere matter of killing and packing, of course. Practically nothing has been lost when the animal which entered a packing house waving its tail emerges in bales and cans. But there the packers stop and the butcher takes hold.

To help meat marketing

"MAMMA goes to the butcher," says Slotkin, "and asks for a two-pound steak. The butcher has had a long and somewhat costly apprenticeship. He classes as skilled and, therefore, expensive labor. He lifts down a side of meat from a hook in an icebox about the size of a Harlem flat. He cuts off two and three-quarters pounds of steak. When she gets it home she trims off the fat and roughage, the dog gets the bone and the Schwartzes are lucky if they get a pound and a half."

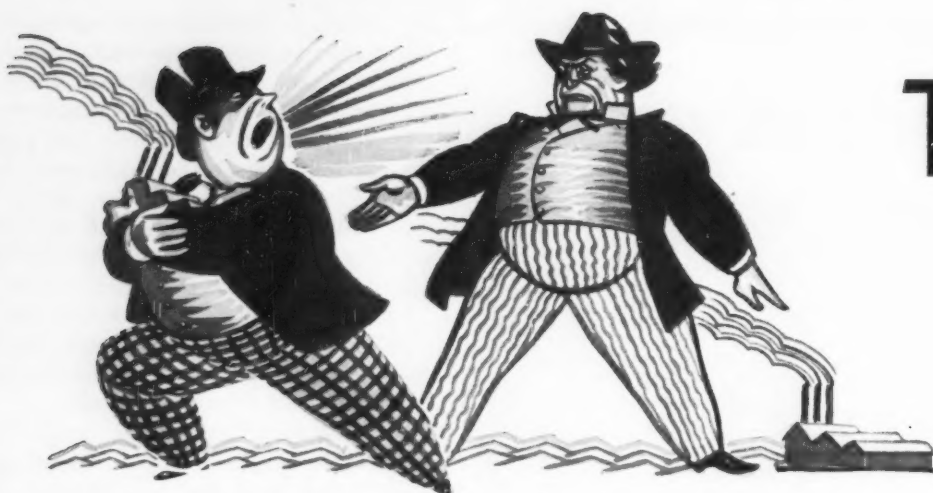
Slotkin is planning to do away with that. He is putting up certified steaks and chops and roasts and minced meats in sanitary packages to be sold from ice boxes in department stores. The housewife will buy more cheaply, and Slotkin will make a profit from what is now wasted. No one will lose but Fido.

"Of course the plan will succeed. Give them what they want before they know they want it.

"The world is full of chances to do things that have never been done. People do not see what is under their noses."

Delicatessens and packaged steaks are merely items in the parade of prog-

(Continued on page 154)



The False

When the Government enters their own fields they shriek to high heaven

THE MOST widespread government-ownership project in this country of which I know concerns itself not with public utilities, but with insurance.

However usual it may be to think of government ownership in terms of the utilities, the fact remains that, aside from a few scattered municipal plants, there is no actual government participation in that business today, nor does any state bar privately owned utilities companies or actively compete with them.

How different is the case in the insurance field! Here we see 17 state governments engaging in the business of selling workmen's compensation insurance, and seven of these states exercising monopolies and forbidding private insurance companies to offer competition. We see two states actively experimenting with life insurance, four states offering hail insurance, and two states engaging in the business of bonding public officials. We see, in addition, a number of states setting up funds for the protection of public property against fire.

It is only in the first-mentioned class of insurance—workmen's compensation—that government monopolies have been established, however, or in which states have entered into active and energetic competition with private insurance companies. What has produced such a widespread invasion of this particular field of private enterprise? The idea of government-sponsored insurance, is, of course, of socialist origin—perhaps the idea is the most thoroughly socialistic of any with which our democracy is experimenting—but have the socialists reached such power that they can bring more than a third of the 48 states to embrace one of their pet projects?

Such a conclusion would be silly indeed. To what, then, does this part of the socialistic program owe its wide adoption? In nearly every case, to the active and energetic support of that usually conservative element, the substantial business interests. Indeed these interests have often instigated such movements.

This capitalistic piracy of a chaste socialistic theory illustrates a new and fast developing phase of socialism in this country. I can think of no better term for it than *socialism for profit*. It snares many otherwise sound and conservative business men by holding forth the bait of material gains. They rush to support government ownership of the other fellow's business, dazzled by the prospect of increasing the profits of their own. They are obsessed with the idea that they will gain some advantage if the Government operates, controls, or sternly represses some enterprise in which they are not personally engaged.

Not always socialists

BUT, when the tables are turned and they hear a whispered suggestion that the Government take a hand in their own particular field, how piercingly they shriek to high heaven to save them from the naughty socialists. As to their own affairs, they are rip-roaring capitalists and individualists, but when they think they can make a

profit by supporting the socialization of other industries they view the scheme as harmless, logical, and even quite benign.

So it has been in the case of workmen's compensation insurance. Employers have been led into the error of thinking that they can obtain compensation insurance cheaper from the state than they can from private companies. Cost—or rather a perverted conception of cost—has been the controlling factor in their attitude. They have accused the private insurance companies of profiteering, and sometimes even have gone so far as to say that the insurance business,



These funds offer opportunity for favoritism in hiring doctors, lawyers and others

Profits of Socialism

By HENRY SWIFT IVES

Special Counsel, Association of Casualty and Surety Executives

CARTOONS BY LOUIS FANCHER



BUSINESS men who cry out most loudly about socialism frequently are the most enthusiastic supporters of state operation for the other fellow's business, says Mr. Ives, because they believe this will increase their own profits. He proves this belief false

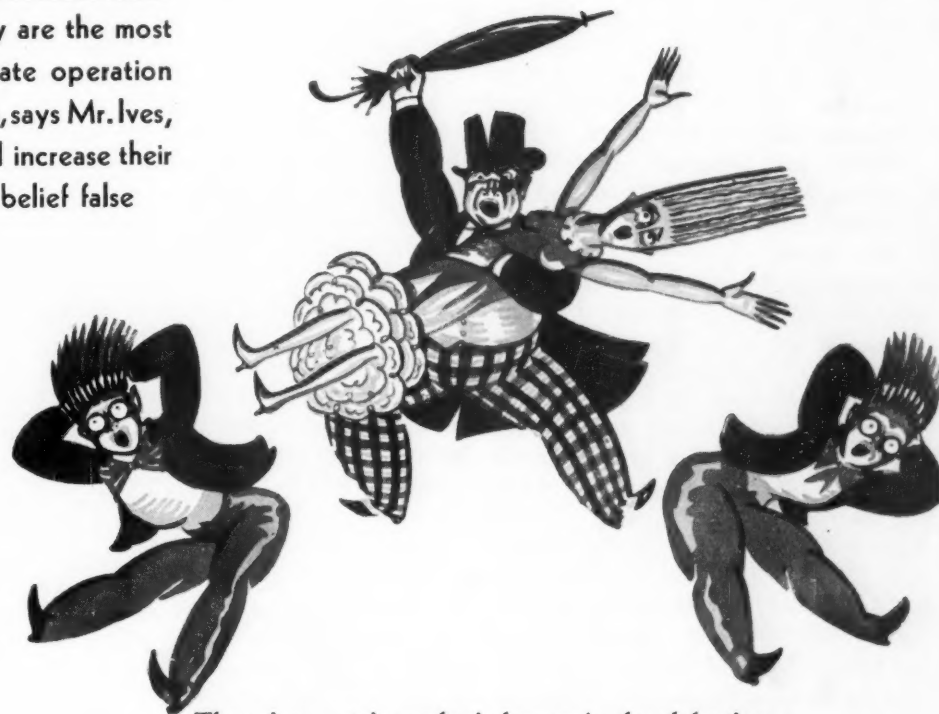
because of its social aspect, should be organized and conducted without profit to capital.

From this line of argument it is but a step to the assertion that it's the state's plain duty to step in and provide compensation insurance "at cost" to relieve industry of the "high" charges which private companies must make to remain solvent and pay claims.

Whether these employers realize it or not, such arguments only serve to mask the exaction by industry of a subsidy from the general taxpayers. Government ownership inevitably leads to a substitution of government deficits for private profits, and these deficits must be met from tax revenues. The pages of our economic and political history are filled with the wreckage of government excursions into the realm of private business, from the days of turnpikes, canals, and railroads down through the period of municipal lighting and telephone plants and into the wartime shipping board and barge-line operations and bank-deposit guarantees.

More taxes for the deficits

ALL have left a string of mounting deficits behind them, deficits that had to be met by taxation. And, sardonically



There is a certain sardonic humor in the abduction by business of the socialists' favorite plan

enough, it is the business man who bears the chief burden of that taxation.

It is true that in some states which engage in the compensation insurance business certain leading industries profit, at least as to the first cost, and get such insurance cheaper than they could from a private company. But this profit is paid to such favored industries by other employers, in the form of higher premiums, and by the general taxpayer in the form of additional taxes to sustain the state funds. With this exception, if it can really be termed that, all business men who aid and patronize state compensation insurance funds are simply the victims of the too common delusion that profit possibilities exist in this and other forms of socialism.

The technical features of insurance accounting, coupled with the meager

financial reports made by managers of state insurance funds, make it impossible to give here specific figures showing how badly most employers err in espousing state insurance as a source of profit to themselves. It requires no very deep delving, however, to produce facts that controvert the apparent saving offered by the state's cut-rate schedule of charges.

Poor accounting and poor service

THE overhead expense of operating state insurance funds usually is borne by the general taxpayer and with the exception of California and Idaho state funds pay no taxes.

More than that, few of the funds provide adequate accident-prevention, safety-engineering, inspection and other

essential services that are supplied by private companies. Significantly enough, the only even passable services of the sort provided by state insurance funds are found in states where private-company competition compels a gesture in that direction.

Finally, being political institutions, these state funds' rate classifications, as between industries, are often highly discriminatory. Likewise, these funds offer ample opportunity for political favoritism in the employment of doctors, lawyers, investigators and the host of lesser positions provided by the setting up of such systems. Laxity and inefficiency—to say nothing of further political favoritism—often mark the collection of accounts. Arbitrary regulations are set up and enforced in accordance with the best traditions of bureaucracies, which ever have been inflexible and autocratic. Little or no chance for redress is offered even if a palpable wrong is done for the state can do no wrong.

If the cost of these and similar well known and well authenticated disabilities inherent in nearly every state compensation insurance scheme were reckoned in with first cost of such insurance, few employers would be able to figure that hoped-for profit from their experiments in socialism. Dr. David McCahan, of the University of Pennsylvania, in his book "State Insurance in the United States" says concerning the imaginary profits which some business men think they are getting out of state insurance funds:

A study of comparative rates and expense ratios for state funds and private companies can ultimately lead to no other conclusion than that the savings to which funds so zealously direct attention arise because these funds have curtailed many of the services offered by private carriers, and not because there is any special virtue in state operation.

Flaws in their reasoning

THAT tells the whole story as regards the so-called savings effected by state funds.

In addition to the argument for these funds based on their purported savings, the claim is often made that injured workers will benefit by such funds to the extent of the difference in cost between state insurance and private insurance. This latter claim is quite as specious as the first. The scale of compensation awards is established by legislative enactment and has nothing whatever to do with the kind of insurance protection or with insurance profits—if any. There are several states with-

out state funds, in fact, where workers get larger awards than in most states having funds.

Not a few employers who support state insurance schemes, though they really are motivated by the socialism-for-profit idea, prefer to ascribe their championship of such measures to these supposed benefits that will inure to workers. Labor leaders, of course, are not averse to playing along with the employers in this game, for when the State goes into the insurance business they usually have a considerable voice in the conduct of the resultant bureaucracy.

I have never been able to understand why otherwise intelligent American business men thus temporize with socialism—and their dallying is by no means confined to socialistic tendencies in the insurance field. Every industry which has had to fight against socialization has found part of the business community upholding the socialistic side of the argument.

The railroads have found this to be true, and the public utilities constantly are forced to reckon with opposition from business interests—interests which, of course, are always bitterly opposed to government ownership of their own property or government restraint of their own affairs.



Business men pay the taxes to support state compensation funds

To get down to cases in my own field—and I'm discussing socialism for profit in connection with insurance only because I am most familiar with its manifestations there—I am revealing no secret when I say that in six of the seven states monopolizing the compensation-insurance business those monopolies were promoted by so-called "big business."

Socialistic "big business"

IN WASHINGTON and Oregon manufacturers are responsible for the legislation. In West Virginia mining interests are back of the monopoly. In Ohio all efforts of private insurance companies to be permitted at least to compete with the state fund have been opposed by both the Ohio Manufacturers' Association and the coal industry. The Wyoming and Nevada funds are insignificant, but they were created to help out the coal and metal mining interests. Only in North Dakota can the fund be traced to other than business sources. There it was established as part of the Non-Partisan League program.

If any owners of these industries are championing government ownership for their own businesses I am unaware of it. If any of these industries promoted state insurance to increase the benefits paid to injured workmen I am likewise not aware of it. In each case it has been strictly a case of socialism for profit.

Further, in the ten states which operate compensation funds in competition with private companies, substantial business men likewise took up cudgels for the government-ownership scheme. These states are Arizona, California, Colorado, Idaho, Maryland, Michigan, Montana, New York, Pennsylvania and Utah. It is hardly likely that the laws creating the funds could have been enacted without such aid.

This may be said, however, that it was aid from the vocal and active minority. The majority sat back, with the don't-care-what-becomes-of-the-other-fellow attitude so common among business men toward socialistic programs which they believe do not directly affect themselves and failed to use their influence to prevent such legislation.

But, though this majority failed to speak against the state-fund laws at the time of their passage, it has expressed its preference for private insurance since in unmistakable and significant terms. In these ten competitive-insurance states 82 per cent of the business is still written by private companies. Even

(Continued on page 85)

What Group Advertising Offers

By FRED MILLIS

President, Millis Advertising Company



BRETZMAN, INDIANAPOLIS

Fred Millis

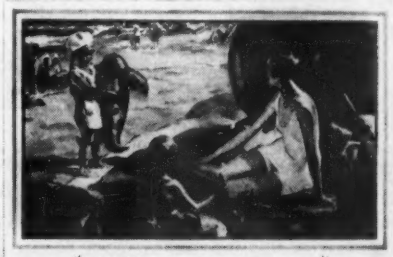
COOPERATIVE advertising has come of age. As an infant, it was nursed through the colic and the croup; as an adolescent, it experienced the customary growing pains and not infrequently made itself unpopular with the brashness and impudence of the 'teen years. Now, having reached recognized maturity, it is ready and willing to grapple with the world. It has made the All-American Advertising Team—five associations being listed among the 150 leading advertisers of 1929—and finds itself already famous but with its best years of usefulness before it.

From the first timid efforts of the pioneer advertisers in the cooperative field to the million-dollar-a-year group campaigns of 1930 is a far cry. The going has not been easy. Idea-selling programs have been conceived in faith, planned with hope, and more than once charged off as charity by their sponsors. But, despite suspicion and distrust and often outright opposition, despite its blunders and mistakes, despite the over-enthusiasm of its earlier advocates, cooperative advertising has won through.

In 1915, four trade associations spent

a total of \$40,000 for magazine advertising. Fourteen years later, the annual investment in campaigns of this type had reached 25 million dollars—a growth of something like 50,000 per cent! In this tidal wave of cooperative advertising we find represented virtually

52 times a year
you may travel this path that leads to leisure



Mr. J. J. Millis
The laundry business is one of the most important in the world. It is a business that is growing rapidly and is becoming more and more important in the lives of the people. The laundry business is a business that is growing rapidly and is becoming more and more important in the lives of the people. The laundry business is a business that is growing rapidly and is becoming more and more important in the lives of the people.

The laundries' campaign showed that price wasn't their chief obstacle



Cooperative advertising must create a desire for the goods advertised

every known variety of industry.

Industry after industry enters the lists as it realizes that its competition is not primarily among its individual members but with the manufacturers and distributors of other products. It is not the Smith Furniture Store against the Jones Furniture Store, or the Blank davenport against the Blink that forms the issue in the family buying conference. It is, "Shall we buy a new davenport at all, or shall we make the old one do and get a new car?"

America enjoys the largest per capita income in the world's history. Yet, except for the ultra-wealthy, no man has enough money to buy the be-

wildering array of merchandise and service that bids for his patronage. Hence the average consumer buys the things he wants most; and wants most the things that are sold best.

Advertising by an individual maker or distributor rarely attempts the important task of selling the idea and use of an industry's products. It is more likely to urge the buyer, "When you are in the market for this class of merchandise, buy mine," and then cite reasons for the superiority of his service or his brand over all others.

The cooperative campaign goes right back to fundamentals. It does not assume that Mr. Consumer is in the market for the products of that particular industry; instead, it tells Mr. Consumer why he needs those products—it creates additional customers and thereby additional volume for that industry.

Are these cooperative advertising campaigns effective? This question is asked every day. Business men whose industry is not engaged in an association program ask it. If this type of advertising pays, they want to use it. Dependable selling tools are none too plentiful



Genuine Engraved Business Cards Create an Impression That Helps Make Sales

BACK of this particular call may be an investment of many hours and many dollars. Perhaps upon it may depend a substantial share of profits for an entire fiscal period. Create the proper impression before the interview starts—with the card that announces your representative to the prospect. **GENUINE ENGRAVED BUSINESS CARDS** are silent salesmen; they present a convincing picture of stability, dignity, quality that goes deeper than mere surface appearance! **GENUINE ENGRAVING** is on every package of business cards you order.

GENUINE ENGRAVING



The appeal must be to the potential as well as to the existing market

operative advertising have been most effective. They are not concerned particularly with the details of copy, layout and art—but with the broad, underlying themes, the methods of approach, the basic plans. What pitfalls are to be avoided? What precautions should be taken before and during a campaign? What established methods should be adopted to derive the maximum of benefit when the good fellows of our industry get together?

Many factors are involved

BECAUSE it has been my privilege to be identified intimately with cooperative advertising programs for eight years, I believe I can answer these questions with some degree of authority. Some of my replies must be qualified, because unavoidable conditions make definite figures out of the question; in other cases, my replies will reflect personal opinions.

Take this matter of effectiveness—the dollars-and-cents return from a cooperative advertising investment. A statistician could compute the annual volume of an industry engaged in cooperative advertising and compare its year-by-year gain before and after

starting the group program. Would that give a true picture of the resultfulness of the campaign?

No! Many factors besides advertising influenced that volume curve. Perhaps the figures show a stabilized condition without gain or loss. Would that mean the cooperative effort was futile? Not necessarily. Without it, the industry might have lost ground.

No instantaneous results

THE average cooperative campaign does not seek overnight results. Its purpose is to reconstruct the thinking of millions of people. As the engineer of a freight must take up his slack before he can get his train under way, so an industry-wide educational program requires time to gather momentum.

We did not become a nation of orange-juice enthusiasts in a day—yet none will gainsay the effectiveness of the Sunkist Oranges campaign conducted by the California Fruit Growers Exchange, just as none will assert that advertising alone deserves all the credit. Nor did we suddenly become imbued with the custom of sending flowers on Mother's Day, or of "saying it with flowers" on anniversaries—although the Society of American Florists can point to an actual doubling of its total volume of business between 1923 and 1927 when it invested \$800,000 in cooperative advertising. Obviously the magazine campaign had its share in this growth. But an exact apportionment of responsibility is impossible.

Sometimes a cooperative campaign may be launched with the idea of overcoming certain widespread prejudices
(Continued on page 159)

MOTHER IS MILES AWAY

Telegraph Flowers Today
This safe ETD way



If you were home you would bring flowers to her. But miles don't matter. She can have your flowers just the same. Telegraph them!

Visit a florist displaying the Winged Mercury. He will telegraph your order to a fellow member of the E. T. D. who is under bond to make delivery exactly as though he had taken the order direct.

Say it with Flowers
By Wire with Safety

SPONSORED BY THE FLORIST TELEGRAPH DELIVERY ASSOCIATION

Mother's Day
May 11th

On this day we smile in Mother's honor, express our tender thoughts with fragrant flowers. Let them whisper that she is in your mind—and in your heart. A local E. T. D. florist will follow your instructions explicitly.

The cooperative campaign must fit the dealer into the picture

in this day of intensified competition. Is cooperative advertising such a tool? If the answer is "yes," how do you know? How do you measure the effectiveness of these group ventures? Can actual results be brought forward?

These same questions are asked by business men belonging to industries sponsoring cooperative campaigns. They have no desire to buy a pig in a poke. They are accustomed to getting value received.

Finally, both the outsider and the insider want to know what types of co-

How to safeguard your family's health... and share in 835 PRIZE CONTEST AWARDS totaling

\$25,000.00 CASH VALUE

64% OF THE TIME IT'S UNSAFE TO TRUST THE WEATHER

For winning best 400 word letter on "Why 50° is the Danger Point!"

YOU CAN WIN FIRST PRIZE Model Home

Second Prize 1930 CADILLAC

NATIONAL FOOD PRESERVATION PROGRAM SEPT. 1929

The contest is a frequent method of opening a cooperative campaign

When Trade Acquires World Vision

By E. L. BACHER

Manager, Foreign Commerce Department, U.S. Chamber of Commerce

FIFTY years ago, if you had suggested that a New England textile manufacturer put up a branch plant in South Carolina, he would probably have answered, "Let South Carolina take care of itself. We are building up the industry of New England."

Or if you had suggested that a Massachusetts shoe manufacturer purchase a controlling interest in a shoe factory in St. Louis, he probably would have

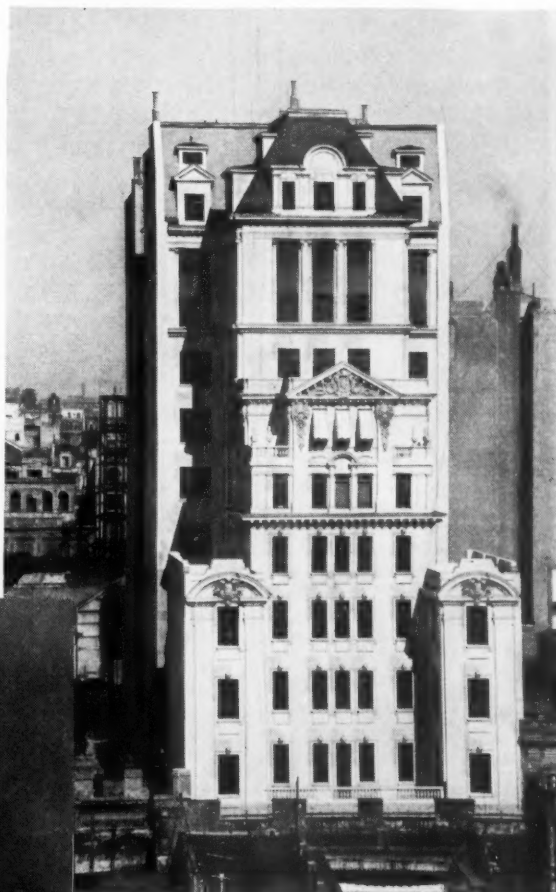


E. L. Bacher

told you that Missouri was foreign territory so far as he was concerned.

Today, however, domestic industry has broken through these constricting lines of localized state enterprise. It has broadened out into national dimensions. Stock ownership has scattered control throughout the 48 states. One after another, large undertakings have developed into vast cross-nation strings of factories, assembly plants, warehouses and branch sales offices.

In international trade, however, are



The Buenos Aires branch of International Telephone, a world-wide business

striking evidence that industry throughout the world has vaulted over geographical boundaries.

International capital

SOME Americans see in this a danger signal. They feel that American capital is utilizing cheap foreign labor to gain competitive advantages in the United States. Others—and in my judgment the more clear-visioned—see in this development a high compliment to the business sagacity of the American executive. Successful in the domestic market, he is now reaching out into international fields with factory as well as sales office to pit his abilities against those of the business executives of the world.

Certain of our major American industries have been operating branch plants in different parts of the world for many years.

- IF YOUR competitor establishes a branch factory abroad where labor is cheap, does that mean he can cut costs and produce more cheaply than you can? Does it mean you must establish a foreign branch to keep up with him? Or is the branch a good thing for him and a bad one for you? Opinions differ but Mr. Bacher offers advice that will help you reach a decision

many who still regard world business as the competition of the self-contained industry of one nation with the self-contained industry of another.

Against this concept stands the branch plant in international trade, a

A business man does not go out into a foreign territory to set up a manufacturing or assembly plant without some compelling economic reason for doing so. There are a number of real, sound, practical and compelling reasons

why the branch plant is necessary to protect and expand American international trade. Those same reasons of course, would apply to the establishment of a French plant in the United States or a German plant in Argentina or a British plant in Spain.

Probably foremost among these reasons is the desire to hurdle a foreign tariff wall which is either prohibitive or excessively restrictive.

Foreign branches save tariff

CLOSELY allied with the question of tariff duties is the question of preferential tariff treatment. One of the big advantages of establishing an American automobile plant in Canada, for instance, is the preferential treatment thereby obtained for the product of that factory in other parts of the British Empire.

strong sentiment which, like tariff duties, presents an obstacle for merchandise made in other countries to hurdle. A tariff duty is definite. Its effect can be determined pretty accurately. National prejudice, however, being psychological, is often difficult to weigh. The stronger it becomes the more it constitutes a factor in favor of branch plant establishment.

In certain industries, the element of transportation, so far as branch plants across the ocean are concerned, plays an important part. Heavy costs of transportation on such bulky products as automobiles may be as effective as a tariff rate in shutting a product out of a foreign market. To place the product on the foreign market on a competitive basis it may prove most economical to ship it in a knocked-down form to an assembly plant abroad. Or again, it may

trial foreign nations. They have exerted a real influence in bringing branch plants to the United Kingdom. The United States escapes the compulsion of the working clause in the German law because of a treaty provision extending reciprocity.

Living as we do in an age of machinery, we have found it necessary to service these machines we use and the assurance of first-class servicing constitutes a powerful sales argument. To be sure, the American exporter could render that service through his foreign sales office. However, when there is much servicing to be done he finds it advisable to establish some sort of repair or service plant, which frequently grows into an operating unit. In the foreign country, many days away from the home factory, prompt service frequently becomes highly important.

This is particularly so when the American product must compete with local producers. It is often difficult to tell at just what dividing line the service department of a branch office abroad attains the stature of a branch plant.

Made on the spot

THERE are some products which cannot stand long ocean carriage or carriage through tropical areas. Certain foods must be manufactured on the spot if the foreign customer is to find them as palatable as does the American consumer. The branch plant makes this possible.

Some industries find in foreign countries a certain localized supply of skilled labor, the result of many generations of specialization. This labor cannot be attracted to the United States.

The manufacturer requiring that particular kind of skill may find it essential to establish a plant in the foreign country.

So far, I have been directing attention particularly to branch plants as they affect American manufacturers. We must remember, however, that many American interests engaged in the import trade have considerable investments abroad which, while not technically branch manufacturing plants, do stand out as further evidence of the internationalizing of American commercial and industrial efforts.

We have, for instance, American mining undertakings throughout the world. In certain instances these mines are actu-



The General Electric Company is another that has put out far-flung branches in its world competition. This is the Bombay office of a subsidiary, the International General Electric Co., Inc.

This phase of the branch plant question now applies mostly to the British Empire, but should any sizable group of the nations of Europe eventually find a basis upon which a customs union or a customs federation could be established, I would venture to say that the American interest in branch plant establishment in Europe would receive a mighty impetus—provided, of course, we were left out in the cold as far as our most favored nation agreements with the participating nations were concerned.

In a number of foreign markets campaigns in favor of merchandise "made in the home country" have built up a

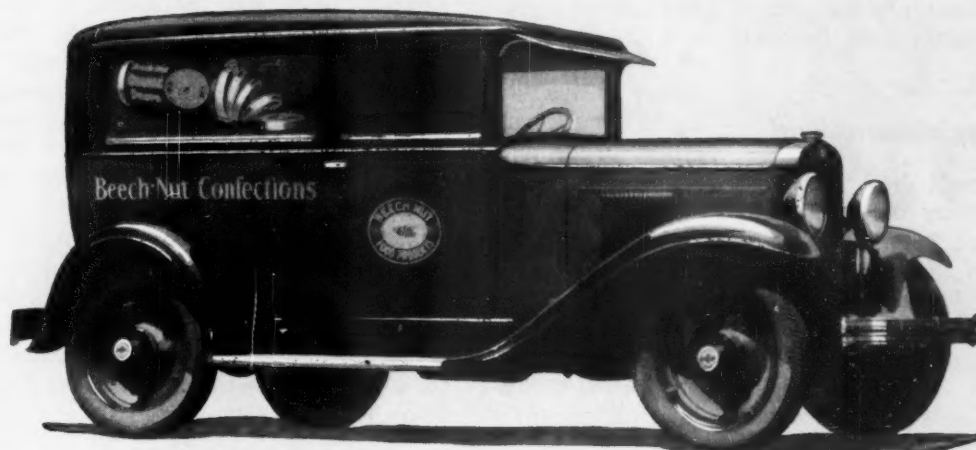
prove profitable to establish a branch factory to manufacture the larger portion of the product. In the June, 1929, issue of the overseas edition of *The American Automobile*, A. B. Crofoot lists 68 assembly plants of American automobile manufacturers throughout the world.

For certain countries, too, a branch plant may become important to protect patent rights. Provisions that a patent becomes void or subject to compulsory licensing within a designated time unless the goods it protects are manufactured within the country granting the patent are part of the patent law of practically all important indus-

for Economical Transportation



IT'S WISE TO CHOOSE A SIX



The Sedan Delivery

A wise choice on the basis of economy alone

One after another—leading business organizations everywhere are standardizing on the Chevrolet Six. For, entirely apart from its Fisher body style . . . its travel-ease and comfort . . . its modern six-cylinder performance . . . Chevrolet has proved itself a wise choice for the fleet operator *on the sole basis of economy.*

To begin with, the first cost of the Chevrolet Six is comparable with the lowest in today's motor car market. But more impressive still is Chevrolet's unsurpassed economy of operation and upkeep.

No other car on the road today gives any better gasoline and oil

mileage. For the Chevrolet engine is a modern, *efficient* engine. It has overhead valves, crankcase ventilation, a hot-spot manifold, the latest type carburetion and many other advanced features that reduce fuel and oil consumption.

From the standpoint of upkeep, Chevrolet also saves the owner money. Its six-cylinder smoothness protects the entire car from destructive vibration, and prolongs its life. Many factors of dependability—including a large rugged rear axle, a heavy full-length channel steel frame, and hardwood-and-steel Fisher body construction—hold

maintenance cost to a minimum. Tire expense is negligible, due to Chevrolet's big, durable, full-balloon equipment. And Chevrolet flat-rate service charges on many operations are the lowest in the industry.

If you are interested in cutting costs—see your nearest Chevrolet dealer and investigate the Chevrolet Six. Consider the advertising and prestige-building value of its smart appearance. Consider also the pride your men would take in driving it. Check over its many factors of economy, comfort, performance. Then you'll agree, *It's wise to choose a Six!*

CHEVROLET MOTOR CO., DETROIT, MICH., Division of General Motors Corporation

CHEVROLET SIX

Sport Roadster . \$555	Club Sedan . . . \$665	ROADSTER or PHAETON	Sedan Delivery . \$595	1½ Ton Chassis \$520
Coach \$565	Sedan \$675		Light Delivery Chassis . . . \$365	With Cab. . . . \$625
Coupe \$565	Special Sedan . . \$725		Roadster Delivery \$440	Prices f. o. b. factory
Sport Coupe . . \$655	(6 wire wheels standard on Special Sedan)		(Pick-up box extra)	Flint, Mich. Special equipment extra.

\$495

When visiting a CHEVROLET dealer please mention Nation's Business

ally branch operations of interests which realize that, to maintain a sound footing in their industry, they must control a certain volume of production outside the United States.

We have extensive producing operations in all the major oil territories of the world. The American meat-packing industries have found it necessary to supplement their home production facilities with branch plants abroad if they would retain their European trade.

Our industry is international

I HAVE mentioned these various enterprises which may or may not be properly included in a discussion of branch plants to emphasize my point that American industry today has broken out of its localized "pocket" and has become truly international in scope and organization.

The road of the branch plant, however, has not been without boulders, fallen trees and mud holes. There have been cases of bad judgment and failures. The whole theory of branch plant establishment abroad has been attacked and there is one especially concerted attack in the tariff bill as it passed the Senate—the provision which would put an embargo on the importation of American trade-marked or patent-marked goods from abroad.

This particular proposal rests on the

fear that branch plants abroad are intended primarily to produce, with cheap labor, merchandise to be shipped back to the United States for our domestic market or to be used to supply a foreign demand which otherwise would be cared for by the home plant.

An American manufacturer producing goods in any foreign country must, of course, realize that he has no preferred status under the American tariff laws. The tariff rates would apply to the product of an American branch factory as well as to a foreign factory in the same country. Most American branch plants abroad are established upon a wage scale higher than the wage scale ruling in that particular foreign country. The American manufacturer overseas realizes that cheap labor may be inefficient and more costly in the long run than highly paid, intelligent American labor equipped with American labor-saving devices.

As regards the diversion of export trade to a foreign branch plant, it is conceivable that that may take place in part.

For instance, if a Canadian branch plant were to find itself in a seasonal slump and the controlling American house had on hand particularly heavy foreign orders, part of those orders might be filled at the Canadian plant. On the whole, however, branch plants are to hold export trade that otherwise would slip away, rather than

to divert trade that is securely held.

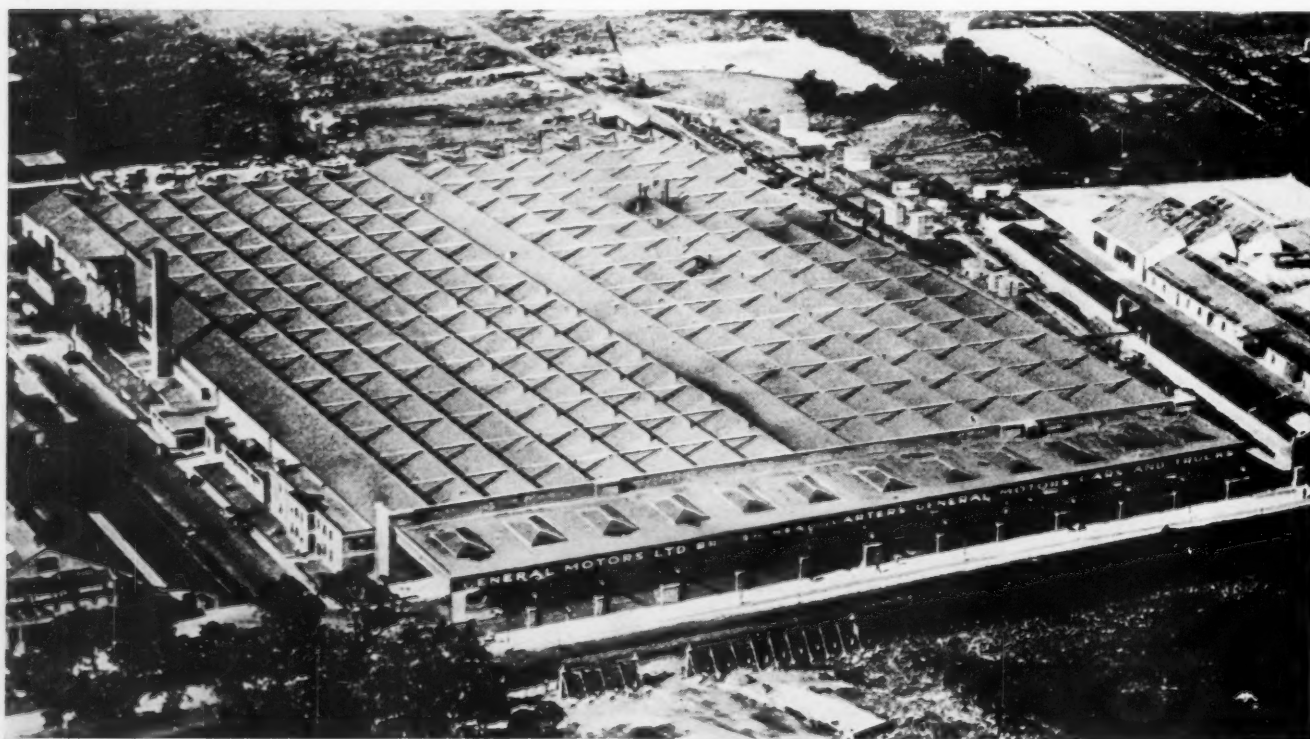
Opponents of the branch plant also argue that it is not to the best interest of American economy to make available to foreign competitors, through branch establishments, knowledge of American technical advances and managerial improvements. They point out also that there is danger of the alienation of the branch plant. As foreign officials enter into the control of the plant there is also the danger that home interests may gradually lose financial control.

Again we have persons who oppose the branch plant development and, in fact, any expansion of American investment abroad, on the ground that such capital should be available first to American industry and commerce.

Of course, not all foreign countries are extending open arms to American industry wishing to migrate. There is perhaps more uneasiness abroad than in the United States about the so-called "invasion" of American capital. Foreign countries do not like the idea of losing control of their own industries and some attempts have been made to restrict the sale of stock, at least of stock carrying voting rights, to nationals of the country.

Other opponents of the branch plant development fear that the branch plant will in time dissipate or decentralize the manufacturing activities in such a way that the mass production advantages

(Continued on page 163)



General Motors has established this branch factory in London through its subsidiary General Motors, Ltd., thus getting the advantage of British Empire tariff preferences



TRUSCON

STANDARDIZED INDUSTRIAL BUILDINGS

**Permanent—Quickly Erected
—Economical in Cost**

Truscon Buildings offer by far the most for your building dollar. These buildings, from standardized Truscon units, are individualized to meet your particular requirements.

You can have Flat or Pitched Roof types—Monitors or Sawtooths. You can have outside walls of any description. You can have any arrangement of windows, and Steeldeck Roofs—insulated to any degree and waterproofed.

Truscon gives you preliminary estimates and suggestions and recommendations—cooperates with you, your architect or contractor in planning a building suitable to your needs and appropriation—manufactures the entire building complete in the Truscon plant—and puts it up for you with its own experienced erection organization.

Truscon Buildings provide you with the most economical and logical means of proceeding quickly with a plant expansion program.

Write for useful Book on Truscon Buildings

TRUSCON STEEL COMPANY
Youngstown, Ohio

Truscon Steel Company of Canada, Limited, Walkerville, Ontario. Warehouses and Offices in Principal Cities

SERIES "A" Pitched Roof Types



SERIES "B" Flat Roof Types



© 1930 T. S. C.

When writing to TRUSCON STEEL COMPANY please mention Nation's Business

Fashion, a Profession for Women

By VIRGINIA CHANDLER HALL

Director, Chandler Hall Services (Formerly of Lewis & Hall)

PHOTOGRAPHS BY PENNEBAKER

THE "STYLIST" appeared rather suddenly in the business picture. She was brought in to supply "the woman's viewpoint" but even she didn't always know exactly how she was to do it. That is changed now. The stylist has learned her job and frequently she is improving whole industries

NEW times bring new methods applied to age old needs. Within the last ten years in this country the manufacturing and selling of home furnishings and apparel products have quietly entered into a new era. Before the war most items of taste were not only expensive and confined to a class market but they were of foreign origin. Our domestic manufacturers were chiefly concerned with utility, efficiency in volume production, good value and low price.

The war transplanted from Europe to America many of the art industries and the making of luxury products, and with them a growing desire to add beauty to our utilitarian domestic goods. Then an economic change took place because the laboring classes and the masses made high wages and had money to spend. They began by buying motor cars. Concurrently, "taste" education was acquired and made available through the magazines, the movies, pictorial display and, later, the radio.

The great volume buying public began to demand more style (better taste) in everything. Merchants were suddenly confronted with a call for fashion items which had heretofore been unheard of in any great quantity. The ultimate consumer of volume merchandise, this mass buying public, was actually telling the merchant what it would buy and was



You do not notice the rug in this photo because the stylist has chosen it carefully to fit in with the very modernistic chair and radio cabinet

beginning to control a situation which had formerly been controlled by the merchant and the manufacturer.

This new power of the masses disturbed the merchant materially. He was keenly aware of his extremity and searched everywhere for a remedy. He knew he needed cultural taste. So he created a new position in his store and for want of a better name called this "the stylist."

At first, there were no standards. Breeding and taste were the only requirements that seemed necessary. Usually the merchant persuaded some woman who had met with finan-

PACEMAKERS *of* PROSPERITY

RAILROAD electrification means moving more goods, more quickly, with less spoilage, less storage, less expense. This helps to reduce the cost of living and so contributes to the prosperity of America. ✓ The extensive programs of electrification recently inaugurated by leading American railroads will double the carrying capacity over the same tracks. ✓ For every problem of electrification—from the greatest railroad system to the individual home—General Electric has the skill, the experience, and the products.

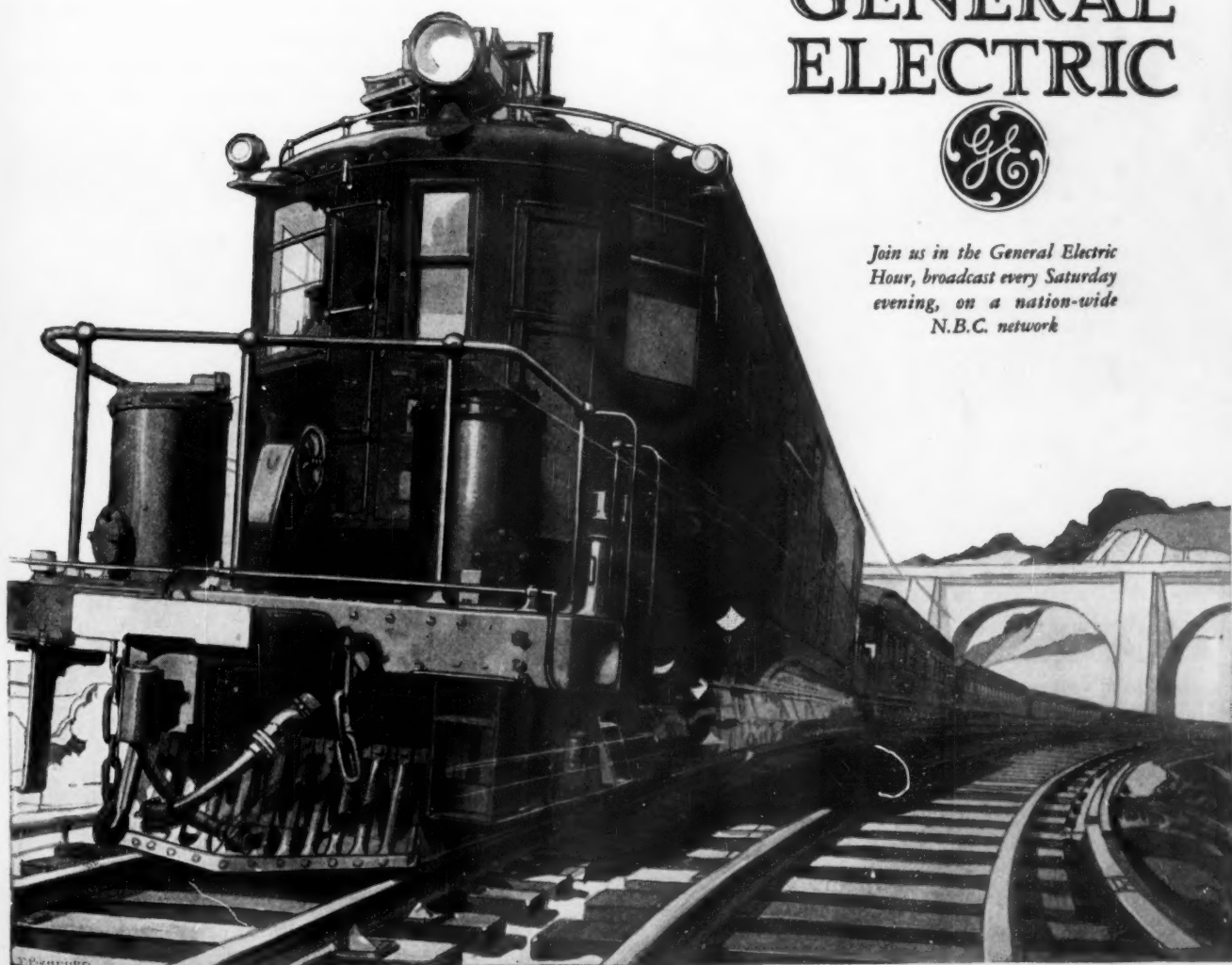
FOR THE HOME—General Electric and its associated companies manufacture many electric products, including G-E refrigerators, fans, vacuum cleaners, MAZDA lamps, wiring systems, and Sunlamps; Hotpoint electric ranges and appliances; and G-E motors for all other electrically driven household devices.

FOR INDUSTRY—Several thousand products, including apparatus for generating and distributing electricity; motors and controllers for applying electric power; electric furnaces and heating devices; street, traffic, airport, and Cooper Hewitt lights; Victor X-ray and motion-picture apparatus; railroad-electrification and street-car equipment.

GENERAL ELECTRIC



*Join us in the General Electric
Hour, broadcast every Saturday
evening, on a nation-wide
N.B.C. network*



cial reverses to come into his store and see what could be done. In the early stages of the profession most of this work was successful because almost anything would have been an improvement and the cultural knowledge the new woman stylist applied to merchandise problems was exactly what the new taste consciousness of the masses clamored for.

So much for the retailer in the early days of fashion as a profession.

Style goods enter the volume market

IT IS interesting to note what was occurring at this time in the related field of manufacturing. In most instances the manufacturer was still operating along old lines. Therefore, the merchant was finding it not only difficult but practically impossible to get his new items in the domestic market. Presently, some progressive manufacturers who formerly were unable to sell taste merchandise even when they had the courage to create it, began to find a call for their better styled items in the great volume market.

A few of these progressive manufacturers experimented along new lines. All sorts of departures were made, sometimes successfully, more often not. Many firms rushed in without knowing exactly how to change their usual procedure. Others



Rug, chair and radio cabinet in the modern manner all harmonizing and in good taste through the stylist's effort

abandoned their attempts but there was still a sufficient percentage of success in the new methods to convince the entire industry that the basic idea was sound.

At this point the manufacturer could no longer cope with the pressure from the retailer. His independence was threatened. So he grabbed at thin air as the retailer had done before him and sought help from the same source which had proved successful for the retailer—the woman stylist.

The only difference was that the manufacturer already had

a man "stylist" who had always existed in his business, so the manufacturer coined the phrase "the woman's viewpoint" to cover all the activities of the new job. A most unfortunate confusion of terminology resulted. The retailer had called his fashion adviser a "stylist" and aside from breeding, taste and cultural background, her outstanding qualifications were a knowledge of fashion, and a seller's instinct—merchandising.

In the manufacturing field, the woman stylist needed all these attributes because here, too, she had to watch the pulse of the market and in addition she had to have a comprehensive art training, a sound sense of design and a certain amount of creative ability. Yet she needed all the gifts of her sister in the retail field to temper her artistic judgment.

To go back to the merchant, it is not surprising that he did not know of the term "stylist" which already existed in the manufacturing field. All his business with the manufacturer had been done with the selling member of the organization.

The stylist joins the staff

IN THE manufacturing company belonging to Smith and Smith, it was only John Smith, the seller, who met the merchant and the merchant never thought of the quiet Jim Smith who was responsible for the goods which his brother sold. So the new term "stylist" in the retailer's mind only confused the manufacturer.

The merchant had put this woman stylist on his staff and she was becoming a power in the field. She came into the market with the buyer and seemed to have the final word in the selection of merchandise. The manufacturer was puzzled. He didn't know what all this meant. This woman was presented to him as "the stylist" and in his mind the stylist was his brother Jim or Jim's equivalent.

There was no point of contact or meeting of minds between
(Continued on page 90)



The same arrangement carried out in antiques. To appreciate the stylist, imagine this rug with the ultramodern furnishings

A New Attack on Traffic Problems

NEARLY a thousand delegates, representing every section of the United States and including a group from Canada, gathered in Washington May 27-29 for the Third National Conference on Street and Highway Safety.

The Conference, held at the headquarters of the Chamber of Commerce of the United States, was opened by President Herbert Hoover, who organized the first conference in 1924 when he was Secretary of Commerce. He congratulated the delegates on the steps already taken to promote safety on the highways, but warned that "the steadily increasing volume of traffic has outrun all measures of safety."

"Universal improvement of conditions," he said, "can come only gradually and through continuous and combined effort in many different fields and on a nation-wide scale."

"The remedies developed by this Conference," he concluded, "must rest for their final effectiveness upon the action of the states and the communities, supported in every possible way by the great body of citizenship."

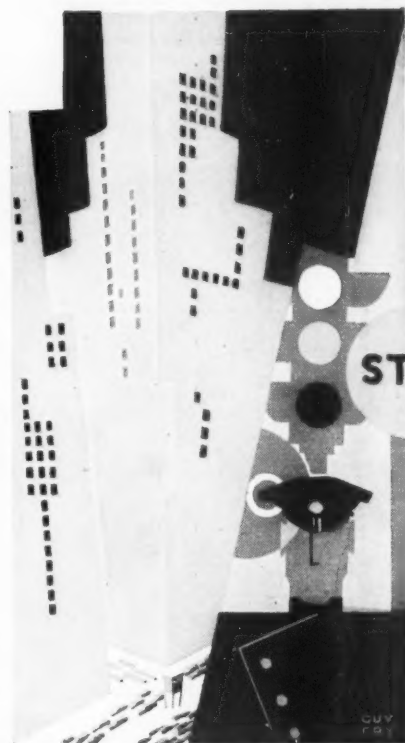
31,000 auto deaths in 1929

SECRETARY of Commerce Robert P. Lamont, chairman of the Conference, also emphasized the seriousness of the problem confronting the delegates. Thirty-one thousand fatalities were caused in 1929 as the result of motor vehicle accidents, he pointed out.

The uniform vehicle code, adopted by the Second National Conference in 1926, has been adopted in whole or in part by some 23 states, he informed the delegates, and urged that efforts be made to obtain adoption of the code by all states.

The composite views of the Conference on the solutions of traffic problems were set forth in the report of the drafting committee, which included a representative of each state delegation and of each of the 40 or more national associations or organizations participating.

This report, adoption of which concluded the Conference, declared that safety education among both adults and children and intelligent cooperation of



motorists and pedestrians have equal places with uniform laws and their enforcement in the solution of traffic problems and accident prevention.

Secretary Lamont's plea for wider adoption of the uniform vehicle code was endorsed, as well as that of the model municipal traffic ordinance, and the standard system of traffic signs and signals.

The attention of enforcement and other agencies was directed to the value of careful analysis of traffic accident records. Enforcement of regulations in the uniform traffic code dealing with dangerous practices was particularly recommended.

Old cars which can no longer be kept in a mechanically safe condition should be eliminated, the Conference decided, either by proper provision in the certificate of title law or through junking. Patrol forces in every state, trained to recognize symptoms of mechanical defects and able to impress upon motorists the need for prompt repair of defective cars, were urged.

Safety requirements in street and highway construction were outlined and elimination of grade crossings, within the limitations imposed by the enormous costs involved, was recommended. Plans for the protection of grade crossings and

highways intersections were also presented and their adoption advised.

The Conference pointed out the value of prompt and decisive action to relieve traffic congestion, which causes an estimated annual loss to American business of more than \$2,000,000,000. The situation can be corrected, it was said, through relief measures coupled with programs of permanent improvements. In the first classification come improvements in regulatory control, while the second involves street widening.

Conditions cannot continue

"IT IS unthinkable," the Conference finally held, "that our people will permit present conditions to continue indefinitely. Practically every one of the proposals submitted has been tested in practice. To reap the benefit of this experience on a nation-wide scale will require some yielding of state and local preferences; it will require devotion of increased resources which no state or community can afford to withhold; it will require the loyal efforts of enforcing authorities; it calls for devoted efforts of a wide variety of organizations; and, finally, it demands of the individual citizen a new order of self-restraint and sense of responsibility corresponding to the enhanced degree of freedom which the new means of transportation has given us."

Secretary Lamont, in addressing the Conference at the conclusion of its sessions, declared that the continuing task before the delegates was application of the solutions of the various traffic problems which the Conference had evolved and agreed upon.

"How is this to be done?" he asked. "It is not for the Federal Government to undertake to carry out your recommendations. . . The task rests primarily with the states. The responsibility is theirs. I think the deliberations of the Conference are a convincing guaranty that they will have the earnest support of the organizations and associations which have been represented here."

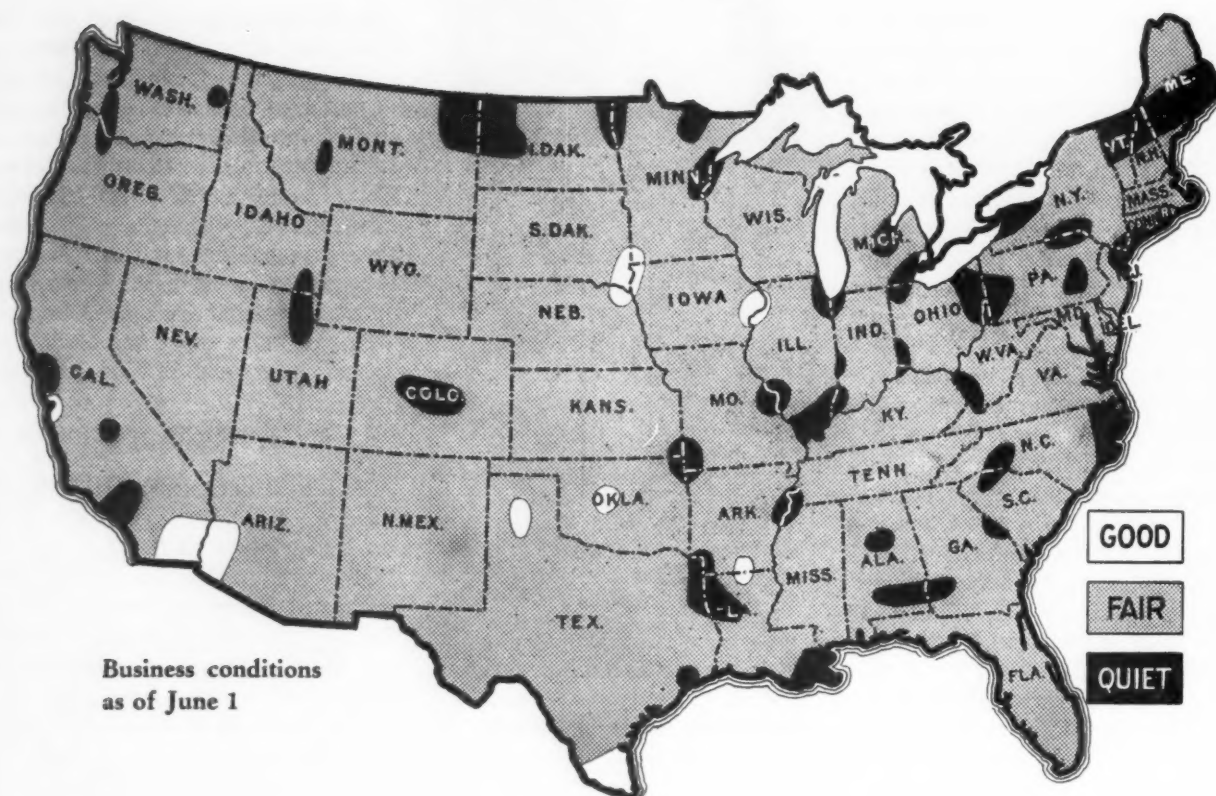
"Finally, the success of this important undertaking rests with the public, with the individual citizens whose welfare is the end sought by this gathering."

—PAUL H. HAYWARD

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's



Business conditions
as of June 1

MAY was a rather two-sided month in many respects.

It was a period of real enlightenment to many as to the full scope of the reaction in trade and industry—a reaction which was visible even before the stock market set its storm signals in the last quarter of 1929. Business during the month also suffered from the partial realization in April of the disappointment at the failure of the expected spring rally to set in. In addition, the month saw demonstration of the fact that the second quarter of the year was not to make much, if any, better showing than did the first three months.

On the other hand, it witnessed better weather and crop conditions than had been anticipated, and a concededly early start toward what at this still early date looks like a fairly good agricultural season.

For another thing, it saw the practi-

MAY trade and industrial volume sagged slightly from that of April. Factory industry quieted down, while outdoor activities increased. Commodity prices dropped lower again and were the chief disturbing element of the month. An early, and on the whole a good, start was shown by crops

cal passing of the old wheat-crop mud-dle and a perhaps tardy recognition that something more than a world crop shortage and government support of prices is necessary to offset the effects of a heaped-up supply of old wheat and cotton produced in excess of world needs.

Business slow in May

THE early part of May saw a sharp downward reaction in the stock market, in which disappeared the hopes of many who had expected to recoup their losses

of last fall. Later there came a demonstration that a rally in commodity prices was still in the future. Accompanying this was a slowing down of iron and steel production, a demonstrated production of lumber in excess of the requirements of new building, and the culmination of somewhat smaller than hoped for spring production and sales of automobiles.

There was, it is true, an expansion of public construction, a large part of which was road and highway work. The influence of cheap money in the encouragement of new residential building, however, was decidedly negatived by evidences that in most areas there was already sufficient housing.

It would not be fair to infer that the month was without many redeeming features. Perhaps the most encouraging was the demonstration, notwithstanding the continuance of prices as a whole toward a lower level, that an immense purchasing power existed for copper—

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at a price. Another encouraging feature was supplied by wool, which, after a year-long decline, steadied abroad. This steadiness was reflected in better buying of some but not all grades here at home.

Cotton curtains production

IN COTTON a real curtailment of production was announced, with three-fourths of the country's spinning capacity pledged to reduce output. In soft coal, it was learned that consumers' stocks were at the low point of eight years.

In the automobile trade, while the greater part of the concededly large output of cars was of the smaller sizes, the fact that these were turned out in vast numbers was a demonstration also of buying power, likewise at a price.

Proof of the partial emergence of wheat from the old-crop and supply conditions was had in late May and early June in a level of prices up to those of mid-April, this on reports of crop damage here and in Canada and of considerably less than last year's yields indicated in Europe.

May and early June prices, in fact, saw a rather distinct gain over the prices ruling a year before, although it will be recalled that wheat prices were at their lowest ebb in the last days of May, 1929. However, the registering of higher quotations than those of a year ago, rather than lower, in this particular market will probably be regarded as a gain.

Car loadings off

THE railroads, like other people, had their troubles in May, largely in the shape of receding car loadings. Heavily reduced gross and net earnings were registered for the full month of April. A year ago, million-a-week car loadings started in mid-April and were maintained, except in holiday weeks, until early November. This year, however, the million-a-week signal is yet to be hung up. Reflection of the fact that loadings for the year to date are the smallest since 1924 is had in reports that reductions in forces or in hours of labor are contemplated by several systems.

Because of the conceded

importance of the world-wide deflation of prices that has been going on in part for more than a full year past, it might be worth noting that the June 1 Index Number showed the eighth consecutive monthly decline. It is also noteworthy that prices are now 13.4 per cent below those of a year ago and the lowest since the summer of 1921, when the after results of post-war deflation were visible, and with this exception at the lowest point since December 1915.

Compared with a year ago, 70 out of 106 commodities are lower in price. During May and early June three commodities, sugar, rubber and silver, were at the lowest point ever reached, and raw silk was certainly at the lowest in many years.

Silver unbelievably low

OF ALL the commodities, silver—and there were those who some years ago claimed it was more than a mere commodity—has had one of the most disastrous falls. Because it still is a measure of value in some countries, the effects of this fall are being felt in our trade with

the Far East. Nearer home, our protégé, Cuba is suffering from unbelievably low prices for its principal product.

Foreign trade has shrunk wonderfully in the past four or five months. April exports were the smallest since June 1925 and one-fifth less than a year ago. Imports for April were one-fourth off from a year ago.

Exports below last year

FOR ten months of the fiscal year, exports are the smallest since 1928-29 and 11 per cent below a year ago. Imports are 6.3 per cent off and the smallest since 1925.

In exports, while foods bear a good part of the responsibility for the decline from a year ago, finished manufactured goods—which made up 57.9 per cent of April exports—fell 17 per cent from a year ago. Semi-manufactured and wholly manufactured goods of all kinds made up 81 per cent of all exports in April.

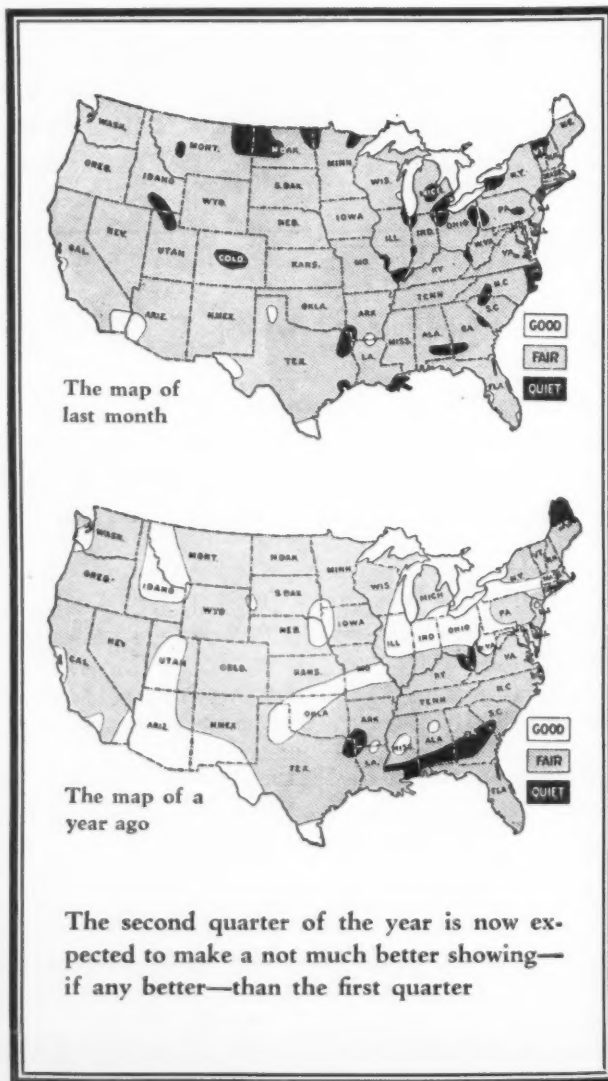
It is the importance of manufactured articles in our foreign commerce today which brings warnings from some of our manufacturers that trouble may follow enactment of the new tariff bill.

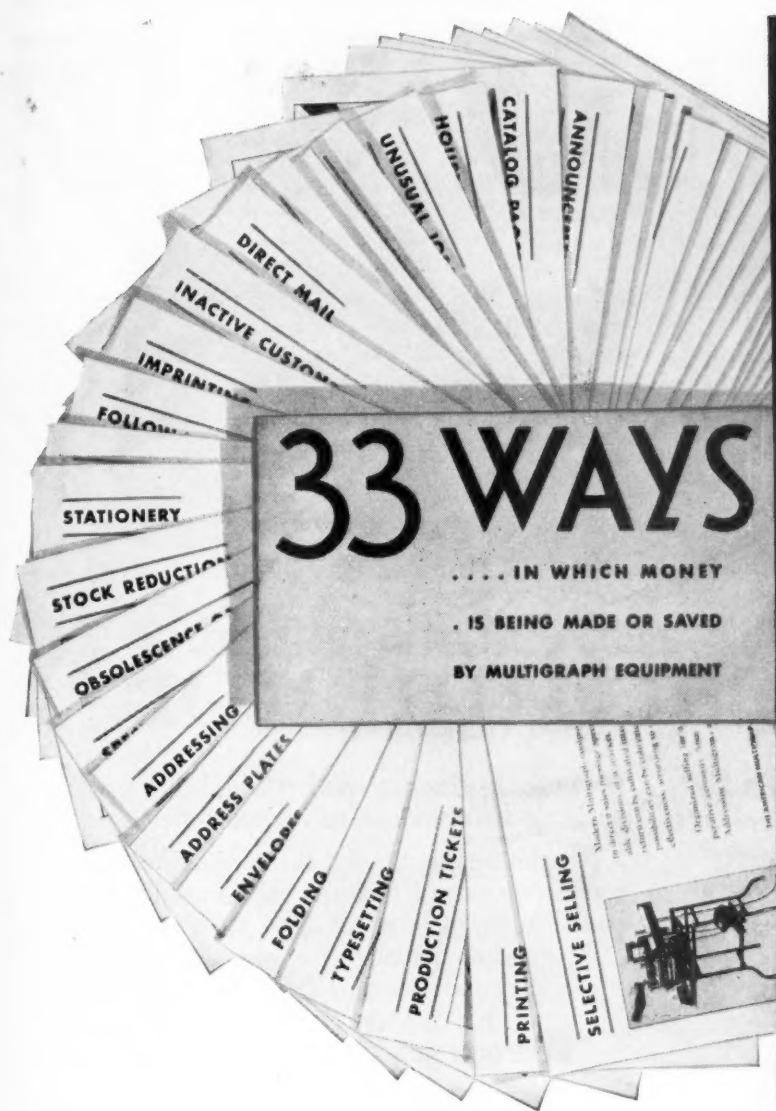
Employment conditions are still anxiously discussed in this country. The April returns of employment in manufacturing, made up by the Bureau of Labor Statistics, show ten per cent reduction from a year ago and the lowest level back to 1924. Pay rolls are 14 per cent off.

According to manufacturers' reports, employment conditions in the largest center of automobile manufacture are the poorest in five years. As to this, it may be said that April automobile output was the largest in number of units for eight months but was 30 per cent below that of a year ago.

Wheat outlook bright

THE agricultural situation already has been mentioned as cheerful from the standpoints of acreage and early-condition estimates. Wheat estimates thus early obtainable are for 544,000,000 bushels of fall- and 257,000,000 bushels of spring-sown grain, a total of 801,000,000 bushels as against 806,000,-





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The Great Imitator

Mankind's most dangerous enemy is syphilis. It takes the form of many diseases, masking as rheumatism, arthritis, physical exhaustion or nervous breakdown. It may seem to be a form of skin, eye, heart, lung, throat or kidney trouble.

Most tragic of all, it often attacks the brain and spinal cord. It may result in blindness, deafness, locomotor ataxia, paralysis and insanity—a life-long tragedy. No wonder it is called "The Great Imitator".

In certain general hospitals, as high as 30% of all patients were found to be suffering directly or indirectly from this disease. Yet many of its victims had not known what was robbing them of health and strength until a medical examination, including blood and spinal fluid tests, revealed their condition.

Syphilis can usually be cured by competent physicians if detected in time and if the patient faithfully and persistently follows the complete treatment prescribed by his doctor. If the early stages are

neglected, cures are less certain, but a great deal can still be done to relieve suffering.

It is estimated that about thirteen million persons—one out of ten—in the United States and Canada have or at some time have had syphilis. Because of fear and ignorance, millions of victims have been imposed upon by quacks, charlatans and blackmailers pretending to practice medicine.

A most effective way to reduce the amount of syphilis is the pre-natal treatment of mothers suffering from this destructive disease.

Parents and teachers owe it to those dependent on them for education and guidance to replace secrecy by knowledge, frank instruction and friendly advice. Physicians, health departments, and social hygiene societies willingly offer their aid.

The Metropolitan Life Insurance Company will gladly mail, free, its booklet, "The Great Imitator". You are urged to send for it. Ask for Booklet 730-U.



NOTE: The Metropolitan first published "The Great Imitator" in January, 1928. Since then, leaders of public health organizations and directors of big business have requested that it be republished and that booklets be provided for wide distribution. The booklets are ready.

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000 bushels last year and 905,000,000 bushels in 1928. A decrease in winter wheat of 34,000,000 bushels is almost balanced in the non-official estimates by a gain of 29,000,000 bushels of spring-planted grain.

Early estimates of leading countries point to about the same crop as a year ago in this country, of 125,000,000 bushels gain in Canada and 50,000,000 gain in India. Over against these estimates are reports of a good-sized—perhaps 200,000,000 bushels—decrease in the European crop. All of these estimates are still highly tentative but furnish possible promise of a higher range

of quotations in the cereal year 1930-31 than ruled in 1929-30.

Prices of winter wheat

THE following table shows the prices of No. 2 hard winter wheat at Chicago and Kansas City and of No. 1 northern at Minneapolis at various dates:

	Low May 31 1929	High July 29 1929	April 4 1930	May 5 1930	June 6 1930
Kansas City	\$.89	\$ 1.31	\$ 1.03	\$.94	\$.98
Chicago	.98	1.42	1.12½	.92	1.05½
Minneapolis	.94	1.47	1.09½	1.00¾	1.03½

Some recently compiled measures of movement will bear mention here. May failures were 5.4 per cent above April

and 21 per cent above May last year, while for the five months the increase over last year is 17 per cent and the decrease from the peak year 1922 is 1.3 per cent. Bank clearings for May fell 13 per cent below the like month a year ago, and for the five-months period the decrease was 16.5 per cent. Excluding New York City, clearings were ten per cent below May a year ago, while the decrease for five months was 11.4 per cent.

For April, gross railway earnings fell 12 per cent below those of a year ago, while net income dropped 33 per cent. Pig-iron production for May was the smallest in that month since 1925, being 17.1 per cent off from May a year ago. For five months it was 14.5 per cent below a year ago and the lightest since 1922.

Chain stores, 54 reporting in May, showed a gain of 2.8 per cent over the like period of 1929, this comparing with a gain of 11.4 per cent in April and a decrease of 1.9 per cent in March. For five months, these chains show a gain of 4.3 per cent. This follows a gain of 23 per cent by all chains a year ago over the like period of 1928.

Department-store sales off

DEPARTMENT-STORE sales, backed by intensive advertising show a decline of one per cent in May as against a gain of 11 per cent in April. The decrease for five months is three per cent.

Reports to Bradstreet's from 2,000 leading cities of the United States show a total value of house, office and store building permitted for in May this year of \$167,827,265 as against \$171,551,223 at the identical cities for April, and \$252,340,753 for May, 1929. There is here indicated a decrease of 2.1 per cent from April and of 33.4 per cent from May last year.

Rather spotted conditions are indicated in the June 1 crop report of the Department of Agriculture. That is, the crops sown last fall, the hay and pasture fields and the tree fruits outside of California and Florida, indicate lower conditions than a year ago. The spring-sown areas and the tree crops, especially the citrus fruits of Florida and California, have had a good start and promise better than a year ago.

A winter wheat crop of 532,000,000 bushels is indicated by the June 1 figures, a decrease of 8 per cent from the 578,000,000 bushels gathered last year, and three per cent below the five-year average of 551,000,000 bushels. Trade estimates are slightly above the government estimate.

Business Indicators

Latest month of 1930 and the same month of 1929 and 1928 compared with the same month of 1927

	Latest Month Available	Same Month 1927=100%		
		1930	1929	1928
<i>Production and Mill Consumption</i>				
Pig Iron.....	May	95	115	97
Steel Ingots.....	May	99	130	104
Copper—Mine (U. S.).....	April	85	133	98
Zinc—Primary.....	May	86	111	104
Coal—Bituminous.....	May	98	110	101
Petroleum.....	May*	105	110	98
Electrical Energy.....	April	123	122	108
Cotton Consumption.....	April	81	99	85
Automobiles.....	May*	99	143	101
Rubber Tires.....	March	88	127	111
Cement—Portland.....	April	96	98	96
<i>Construction</i>				
Contracts Awarded—36 States—Dollar Values	May	80	103	116
Contracts Awarded—36 States—Square Feet	May	84	106	125
<i>Labor</i>				
Factory Employment (U. S.)—F.R.B.....	April	92	102	96
Factory Pay Roll (U. S.)—F.R.B.....	April	92	106	96
Wages—Per Capita (N. Y.).....	April	101	103	99
<i>Transportation</i>				
Freight Car Loadings.....	May*	93	104	99
Gross Operating Revenues.....	April	91	103	95
Net Operating Income.....	April	86	128	96
<i>Trade—Domestic</i>				
Bank Debits—New York City.....	May*	120	160	145
Bank Debits—Outside..... (X)	May*	107	113	110
Business Failures—Number.....	May	118	102	108
Business Failures—Liabilities.....	May	147	109	96
Department Store Sales—F.R.B.....	April	101	94	92
Five and Ten Cent Store Sales—4 Chains.....	May	125	131	113
Mail Order House Sales—2 Houses.....	May	172	163	119
<i>Trade—Foreign</i>				
Exports.....	April	80	102	88
Imports.....	April	82	109	92
<i>Finance</i>				
Stock Prices—30 Industrials.....	May	159	186	128
Stock Prices—20 Railroads.....	May	107	112	108
Number of Shares Traded.....	May	167	188	204
Bond Prices—40 Bonds.....	May	98	97	101
Value of Bonds Sold.....	May	68	70	83
New Corporate Capital Issues—Domestic.....	May	86	81	105
Interest Rates—Commercial Paper, 4-6 Months.....	May	92	145	110
<i>Wholesale Prices</i>				
U. S. Bureau of Labor Statistics.....	April	97	103	104
Bradstreet's.....	May	87	100	106
Fisher's.....	May	96	104	106

July 1914=100%
Apr. 1930 Apr. 1929 Apr. 1928

Retail Purchasing Power, July 1914=100%

Purchasing Power of the Retail Dollar.....	63	63	62
Purchasing Power of the Clothing Dollar.....	62	60	59
Purchasing Power of the Food Dollar.....	66	66	66
Purchasing Power of the Rent Dollar.....	64	63	61

X Excludes Boston, Cleveland, Chicago, Los Angeles, Phila., Detroit, San Fran., and New York.

* Preliminary.

Prepared for Nation's Business by General Statistical Division, Western Electric Co.

In the Middle Ages the right to debase the currency was one of the monarch's most cherished privileges



Can Trade Live Without Gold?

By HARTLEY WITHERS

Former Editor, "The London Economist"

DECORATIONS BY GEORGE LOHR

● Irving Fisher and others have foreseen serious trouble if a predicted gold shortage develops. Here is another view

FOR the moment the monetary sea is smooth, the scramble for gold in Europe is, we hope, at an end, and a rapid and continuous lowering of bank rates in all the principal centers has given trade and industry the hope that a long spell of cheap money may do all that it can for their recovery.

All the more reason, now that fears of gold scarcity have retired into the background, to look into the problem of the gold supply in its relation to the requirements of business and to see what reason exists for apprehensions of the revival of this bogey that is so

terrifying to those engaged in enterprise.

For the bogey is still lurking in the background, and warnings have lately been heard of the probability of a gold panic in two or three years. It is time we made up our minds whether the business world and the central banks which supply it with credit mean to use gold as a useful servant or to allow it to exercise a dominant and tyrannous influence as a master whose word is law.

When we look at the matter in a detached and philosophic spirit, nothing could seem more absurd than the notion that the enterprise and business activity of the world could depend on the supply

of a metal that is dug with much difficulty and expense, generally to be buried again either in the vaults of a central bank or in the backyard of some Indian peasant or any other hoarder.

Nowadays, it is a rare experience to see or handle a gold piece in the ordinary course of commerce. For purposes of internal trade the bank notes and, still better, the bank checks used in the highly developed countries act as means of exchange to everybody's satisfaction. What then is the need for gold behind the notes and checks?

Gold currency is not deflated

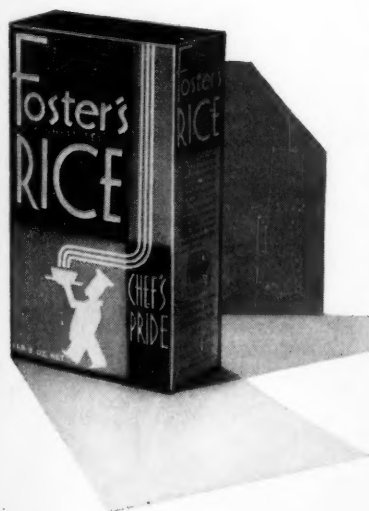
IT IS needed very much, and for two most important reasons. One is that it keeps the monies of all the gold-standard countries on a harmonious level and prevents such wild fluctuations in

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The stock of gold is ample for shipment when needed for exchange

rates of exchange as made foreign trade a blind gamble during the after-War years when many countries were on a currency system of pure paper. The other is that the maintenance of a certain ratio of gold behind the notes and checks prevents the creation of too much money, with a consequent lowering of its buying power and the development of the disease called inflation.

Gold does its work as an international link because in all gold-standard countries the currency is convertible into gold for the purpose of foreign payments. When, for example, the dollar price of English pounds or French francs goes up to what is called gold point, it is cheaper for Americans to send gold to London or Paris rather than pay the market price of pounds or francs. Thus there is a definite limit on variations in rates of exchange and those who buy or sell goods abroad know, within a certain narrow range,

what will be the value in dollars of the foreign money which they are going to pay or receive.

This gold link confers on international trade the incalculable advantage of keeping all the monies of the leading nations marching in step together. It also keeps all the commodities that are freely dealt in between the nations within a certain parity of prices.

Man favors hard money

FOR internal purposes, the notion that a currency requires a certain amount of gold behind it is largely a survival of the mistrust which medieval experience implanted in men's minds concerning the tendency of impecunious governments to play tricks with the nation's money to replenish a depleted exchequer.

In the Middle Ages the right to debase the currency was one of the most cherished privileges of the monarch. One of the first things that popular government had to do was to provide the people with a clean, sound money made of real metal. So a strong bias in favor of hard metal has been implanted in men's minds. It has survived into the days of bank notes and checks in the form of a prejudice in favor of the convertibility of all forms of paper money into gold on demand.

This prejudice has been strengthened by the experiences of many European countries during and after the World War. It was found that some modern democratic governments were just as unscrupulous as the medieval monarch in currency debasement and carried it to much greater lengths by the simple use of the printing press. It was clearly seen that the gold limit was still essential to protect the commercial community against overcreation of money to meet governmental expenditure. Such overcreation led, as was shown by the example of Germany, Austria, Poland, Russia and other countries in less

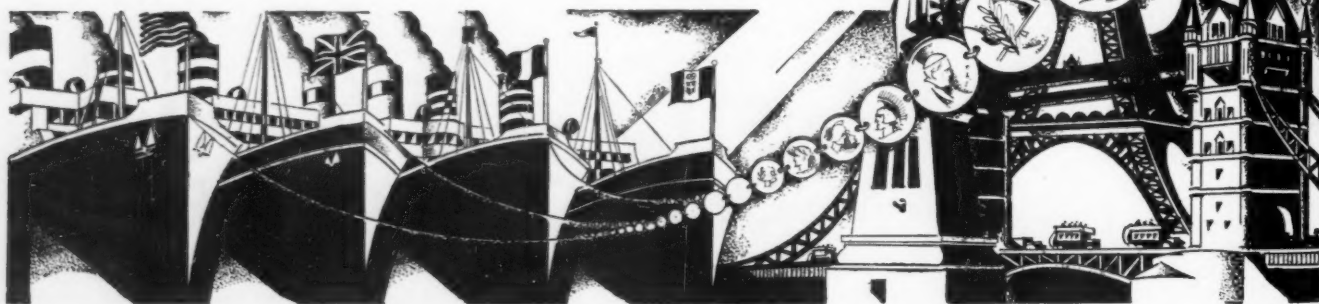
degree, to a mad rise in prices, inflation, demoralization and business chaos.

Nevertheless, the impoverishment of England and Europe by the War and the expanded needs of currency to meet the requirements of business at the higher level of prices have necessitated the renunciation of gold for use as currency. The British sovereign, of which Englishmen were so exceedingly (and perhaps rather absurdly) proud, is now practically a museum specimen. English experience has shown that paper money can be maintained with complete success at parity with the monies of other countries without the right of conversion into gold coins for internal use.

Gold but no gold coins

THE Bank of England note is still convertible into gold, but not into gold coins for purposes of circulation; only into bar gold and in amounts of not less than 400 ounces, the value of which is more than \$8,000. By this arrangement, the international gold link is still preserved, since gold for export purposes is provided if ever the state of the exchanges makes gold shipments the cheapest form of remittances for those engaged in foreign trade and business.

However, the expensive luxury of gold coins in one's pocket has been abandoned, though some conservative Britons still cherish the ambition that they see it restored as the nation recovers its financial strength. This rather



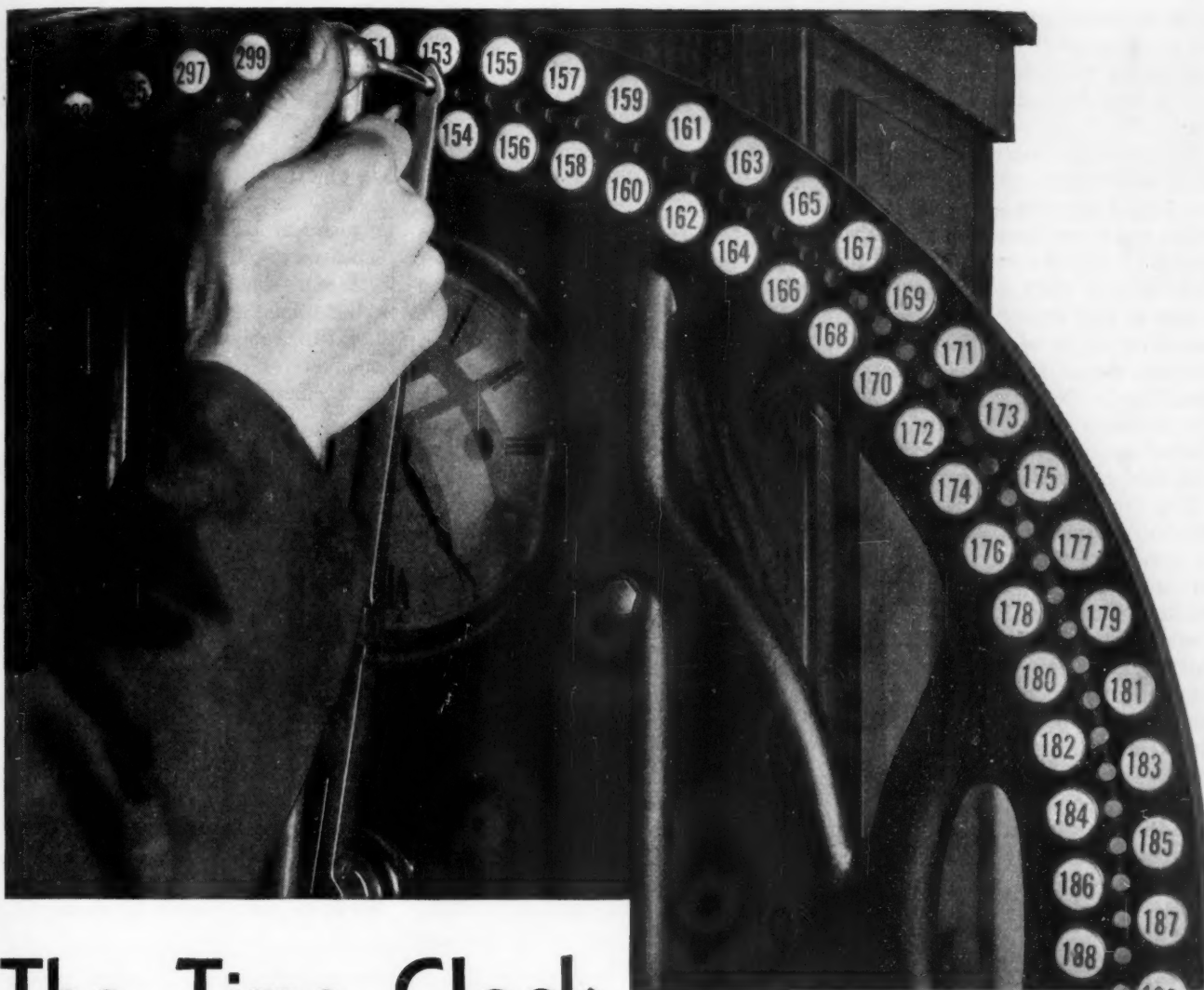
This gold link keeps the monies of all the leading nations marching in step together

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The Time Clock doesn't show time out!

Every manufacturer knows to his sorrow that the time clock tells only half the story. For the time clock does not show time out, it does not show the mistakes and excessive waste caused by the very hands that punch it!

If some of your production is still being done by slow, wasteful hand labor we can help you to salvage lost profits. Our job is the designing and building of special machines to perform operations now being done

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futile ambition might perhaps be possible of achievement if gold ever became exceedingly plentiful and had to be put to extravagant uses to avoid inflation.

But any such plenty seems most unlikely unless some miracle should cure the Indian peasants of their hoarding habits and cause them to pour out their hoards all over the world. Short of this most unlikely event, or of a great discovery of gold deposits in some unsuspected corner, or of the invention of a practical device for catching the gold alleged to be contained in ocean water, the prospects are in favor of a diminished output of the metal as the Rand gold field becomes less productive.

It is thus all the more necessary that the central banks of all countries should do some hard thinking as to measures for the economy of gold; still more, that public opinion in business circles should give earnest attention to this matter, so that any measures which banking authorities may propose should not be misunderstood and opposed because of old prejudices from which business circles, in some countries at least, are by no means free.

In the first place we have to beware of being frightened by the word "scarcity" before we are quite sure that a mere diminution in the rate of output will not find the world already so well provided with the metal that it has plenty

to go on with if these stocks are sensibly and economically used. If this be true, there need be no appearance of scarcity in any sense that will impede the progress of enterprise and business.

Plenty of gold for shipment

RECENT experience has shown that as far as the international use of gold—for shipment when exchange rates demand them—is concerned, the stock is more than ample if sensibly used. Last year, the United States was sucking in gold from all the world by means of the high money rates current in Wall Street. At the same time the Bank of France and the Reichsbank also kept their money markets short of credit and so increased the demand for the metal. The brunt of these demands fell on the London market, with the result that the Bank of England's discount rate was forced up to 6.5 per cent, and the year was one of unusual monetary dislocation and disturbance.

Nevertheless in the face of all these abnormal happenings, the Bank of England's gold stock, which had begun the year at 153 million pounds and had risen to 164 million pounds in June, only fell to 130 million pounds in October and ended the year at 146 millions, thanks to the outflow of gold from America after the end of the boom in Wall Street last fall.

These figures surely prove that even in a year of altogether abnormal demands for external purposes, the Bank of England had a large margin of safety, and that the drain of gold was chiefly formidable because some people might fear that the stability of the pound sterling was threatened. There was no reason for such fear, but the more unreasonable such fears are, the more likely they are to cause trouble. This is why it is so important that the business world should think reasonably about gold stocks and not allow itself to be haunted by old-fashioned apprehensions of obsolete boogies.

While these things were happening in England, America was showing, throughout the year, an immense margin of gold above the ratio required by law against note and deposit liabilities, and the Bank of France was adding nearly 400 million dollars to its immense holding of gold.

For international purposes, therefore, the fear of any scarcity of gold that could inconvenience business seems to be altogether groundless as long as central banks regard the metal as a commodity to be used and not hoarded, and as long as the business world supports them in this policy.

Reserve ratio would be changed

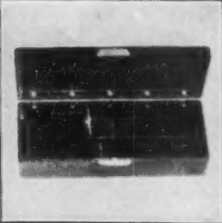
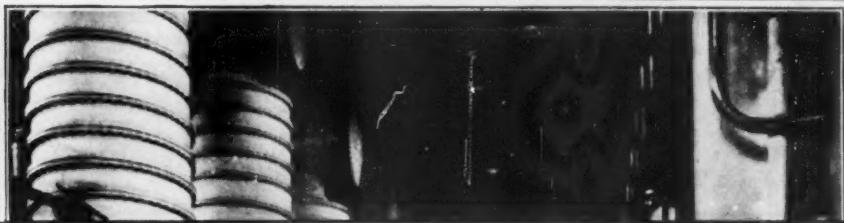
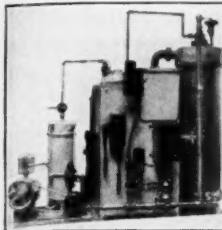
FOR domestic use, gold is not needed. Notes and checks do the work of buying and selling just as well and better. We need only take care that they are not multiplied too fast and that, on the other hand, there should be enough of them for the purposes of legitimate business. If gold became so scarce that there was not enough of it to supply the necessary expansion of credit as the world's needs grow, and at the same time maintain the legal ratios now established in the leading countries, it would only be necessary to lower the legal ratios.

There is no heaven-born sanctity in a ratio of 35 or 40 per cent, and there is no sense in allowing the ups and downs of gold mining to overrule the legitimate needs of trade. A gold backing is, at the present stage of our civilization, a necessity, but the extent of it is a matter that we can determine by statute and by business sentiment.

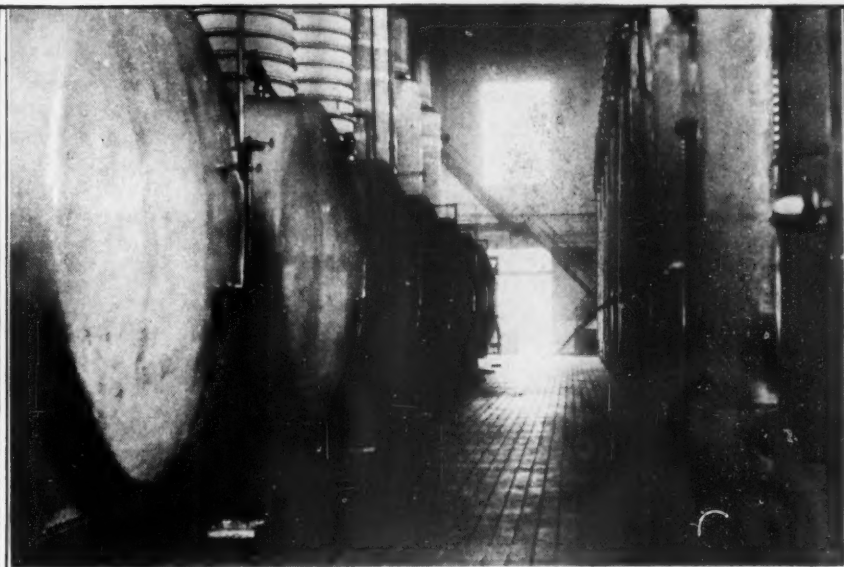
We want gold as a basis for the notes and credits issued by central banks, on the basis of which, in their turn, the commercial banks grant credits to their customers and so create the check currency which is the money of domestic commerce. But gold is a convenience, not a master; and if it really threatened to be scarce, which it is far from doing



It is time we made up our minds whether gold is to be a useful servant or a tyrannous monarch whose word is law



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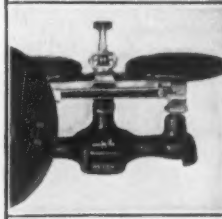
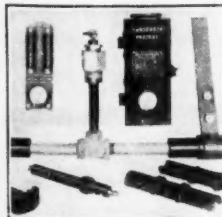
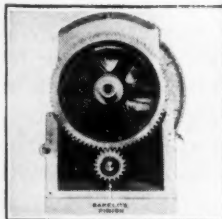
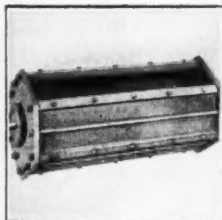
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As long as commodity prices are not rising too fast, the supply of credit, whatever its ratio to the gold stock may be, is clearly not too large for the needs of legitimate business.

The New Toll Road

ACIVILIZATION that looks backward to the toll road for solution of traffic congestion might be thought reactionary were progress not the directing idea of the proposal. As planned by Mr. Barlow, a Detroit engineer, an express motor highway would be built from New York to New Haven, and thence to Boston should its operation be successful.

Apart from the problem of privately financing the construction, roughly estimated at \$200,000,000, the project raises some knotty problems in the interplay of private enterprise and public authority.

Four lanes, a high speed and a low speed in each direction, would link large cities, and relieve the congestion on existing trunk routes, which the inventor regards as only local in their importance.

The through express highways would pass over or under intersecting roads, and thereby interpose no obstacle to the continuous flow of motor vehicle traffic at speed. But whether through traffic, buses, trucks, and the like, could be compelled to use the express route is a moot question.

Development of the idea has advanced to the organization of a company and representations in its behalf to the legislatures of New York and Connecticut with regard to the authorization required.

A recapture clause in the bills now drafted would enable the states of New York, Connecticut, and Massachusetts to supervise the expenditures for construction, and subsequently purchase the motorway at a figure representing the cost of construction plus the interest charges.



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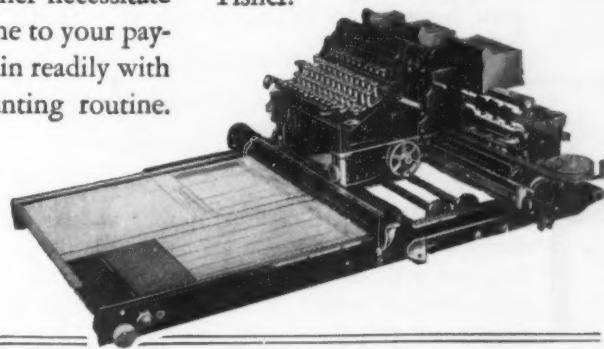
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The Federation would improve working conditions, especially those governing women and children

The South's Economic Triangle

JOHN TEMPLE GRAVES, II

Former Economist, Federal Trade Commission

DECORATIONS BY FRANKLIN BOOTH

- **THIS ARTICLE** will answer many of the questions you have been asking about the South. Mr. Graves, a Southerner, an editor and author of note, gives you an unbiased study of the possibilities for union labor in that section and its needs for success

THE average wage of southern factory workers is \$10 a week less than in the rest of the country. Average wages for the South are \$17.97 a week in manufacturing industry; for all other sections, \$28 a week. These figures take account of part-time employment and overtime. Wages are particularly low in southern textiles. A southern cotton mill worker's wages average \$12.94 a week, \$6.71 below the average for all other sections. Union rates for cotton

mill workers are from \$5 to \$18 more than southern average rates."

These statements, appearing in the official organ of the American Federation of Labor, are the battle cry of the Federation in its present campaign to unionize southern labor. Since they are based on Labor and Commerce Department reports, they are not likely to be challenged. Their significance will be challenged to a considerable extent, however, by those who feel that wages must be compared on a basis of purchasing

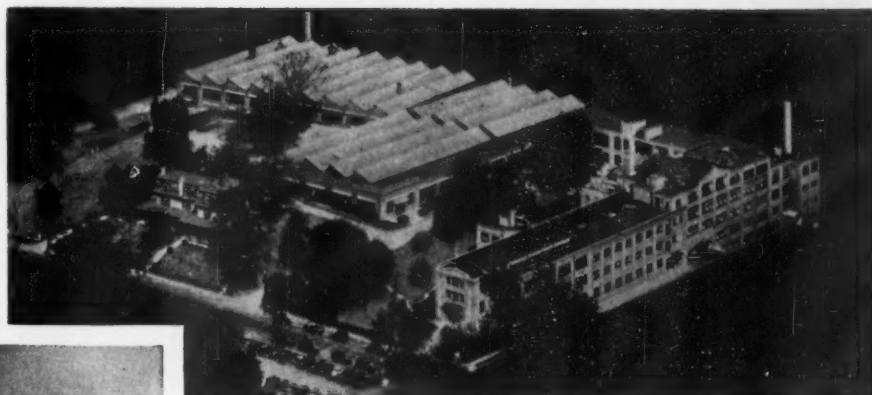
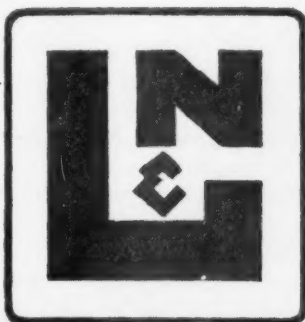
power rather than on one of dollars and cents.

When President William Green of the Federation of Labor officially inaugurated the southern labor drive last January, he used soft words.

"We are coming in an attempt to better labor conditions," he declared, "and promote peace and harmony between employee and employer."

A campaign of trouble

SINCERE as he apparently was in this pacific prelude, the labor unionization campaign in the South is likely to go through all the customary processes of harsh words, random acts of violence on both sides, frequent invocation of the communist specter, and charges plus counter-charges of broken promises and



Mr. Holmes is one of an experienced staff of illuminating engineers maintained by the National Lamp Works to help you obtain the maximum from your lighting.

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Is your concern following Leeds & Northrup, Hupmobile, Cannon Mills, Inc., Loose-Wiles and hundreds of other nationally known progressive concerns into the increased productivity, better workmanship and greater safety that better lighting provides? Or don't you know?

If you don't, there is an easy way to find out. Write to The National Lamp Works of General Electric Company, Nela Park, Cleveland. Experts of Mr. Holmes' experience are stationed all over the country, who will submit recommendations based on a personal survey of your plant without cost or obligation. National Lamp Works of General Electric Company, Nela Park, Cleveland, Ohio.

bad faith. Impartial bystanders have already discounted these phenomena in advance.

They prefer to search for the core of whatever injustices exist under present conditions and for the factors which may promise relief. They are beginning to believe that the attempt to organize the southern laborer for effective bargaining will be doomed to bitterness unless it is paralleled by the organization of the southern farmer and the southern manufacturer. Between the three they discover a triangular relationship.

Taking money out of the manufacturer's pocket is not the primary purpose of labor's southern agenda. But the program will finally focus on that pocket. Initially, the Federation's objective is not wage adjustment but organization. It points out that it is inculcating in southern workers an enthusiasm for unionization which antedates, even if it does not exclude or exceed, enthusiasm for larger wages.

The important first thing, in the Federation's philosophy, is organization. The other things, the things which it claims can be had only with organization, will follow. One of them will be higher wages. Another will be shorter hours. Still others will be improvements in working conditions, particularly those governing child labor and female labor.



Employer benevolence is called impracticable and subject to change

The lack of adequate state legislation covering working hours and conditions will have plenty of emphasis. All the southern states have laws fixing the minimum age for industrial employment at 14 years. All of them, except Alabama, have laws prescribing maximum working hours for women and minors. All of them, except Arkansas, Florida, Mississippi and South Carolina, now have workmen's compensation laws.

But the Federation is likely to quarrel with the terms and the enforcement of these laws and with the want of other laws. Its representatives are convinced that the only satisfactory guarantee of proper working conditions lies in union-

ization. They point also to conditions special to certain industries and not capable of regulation under general legislation.

Undependable benevolence

WITH the "benevolent despotism" ideal of certain old-time southern manufacturers they have no patience. They admit that some of these "gentlemen of the old school" try conscientiously to maintain decent living and working conditions for their employees and have, in some instances, managed to establish model communities and factories. But employer benevolence is not practical, they assert, and there is no guarantee of its uniformity or persistence.

What is more, they declare, the advent of industrial capital and captains from other sections, where industry is conducted on a give-and-take bargaining basis devoid of patriarchal sentiment, subjects the "benevolent despots" of southern manufacture to a competition which will soon (if it has not already) make their benevolence impossible. Furthermore, they add, benevolence has been the exception rather than the rule in the South.

Shorter hours and better working conditions are not to be had, of course, for nothing. They mean money out of the



The average wage of the southern industrial worker looks good to the southern farmer from a distance



"In our opinion the general adoption of the balloon tire will effect the greatest saving in maintenance and tire costs in the history of motor trucking," says The A. G. Boone Company, Motor Trucking Contractors, Columbia, S. C. They operate 160 trucks in five southern states.

"Balloons stayed on top—high pressure tires bogged,"

says the report on these road building operations. Now the whole

Boone fleet is on Goodyear Truck Balloon Tires. After one gruel-

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tional service." They have already exceeded the normal mileage

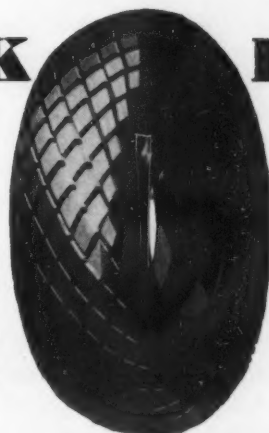
of high pressure tires almost 40%. In accurate tests they have cut

gasoline mileage costs 6¼%. Wouldn't it pay to find out what

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These great new tires pioneered by Goodyear stand up under high speed operation, reduce truck maintenance costs, give more powerful traction, new safety, lower tire costs.



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manufacturer's pocket just as surely as increased wages do. This is why the whole southern question boils down to the hard one of cash. The final argument is over the right of labor's pay roll to a bigger percentage in the manufacturer's operating cost, and over the capacity of the manufacturer, already harassed in some lines with bitter competition and a business depression, to increase that pay roll percentage.

As for the right, it all depends on your notion of labor. The Federation's historic conception, of course, is that "labor is not a commodity" and that it is entitled to wages as high as its organized bargaining power can procure. Labor, in this ideal, is worth whatever it can force out of its hire. But the trouble is that, whether labor is a commodity or not (and most people are willing to grant that it is not), economic circumstances have a habit of treating it exactly like a commodity. The economic circumstance in the South today is this. There is a constant and enormous excess of potential labor supply over current labor demand. The fact makes the law of supply and demand the Federation's greatest immediate stumbling block and even unionization cannot avoid it.

Farm population unsettled

THIS surplus of potential labor supply lives on southern farms. But it isn't very happy about it. With all of the South's recent industrial development, the section is still essentially agricultural. The farm population is more than 16 million while the industrial labor population is hardly more than two million. This might be all right if the farm population were prosperous and contented. But it isn't.

King Cotton has been a veritable tyrant to his southern farm subjects in recent years. The average farm income is somewhat between \$200 and \$300 a year per capita. This does not include the foodstuffs which the farmer grows and consumes himself, but, unfortunately, there has been little of that.

In any event, the \$600 to \$1,100 average annual income of the southern industrial worker looks wonderfully good to the southern farmer from a distance. It gives him a constant, mathematical impulse to join the ranks of factory labor and swell the excess of labor supply over labor demand.

These, obviously, are not ideal conditions for an air-tight organization of labor such as the Federation proposes for the South, with bargaining power to force higher wages and a manufactur-

er's investment in better working conditions. It is too easy for the manufacturer to "bring in a farmer." Until southern farming offers more inducement to stick to the plow, the southern labor market is likely to be glutted constantly with these "disgruntled veterans of the boll weevil." This is why the present movement to organize the southern farmer for more successful growing and marketing is highly pertinent to the move for labor organization.

The higher dollar and cent wage rate prevailing in other sections is, as stated, the American Federation of Labor's major premise in the southern campaign. Even if there were no southern farmers, this premise would start an argument. Economic thought in the South today is hard and honestly at work. It is much inclined to accept the principle of wage equality with other sections. But it believes that wages should be measured in terms of purchasing power, not dollars and cents. It wants to talk real wages.

Living costs in the South are undoubtedly lower than in other sections. This does not mean, necessarily, that



Labor organization promises little if farming and business continue unorganized

the standard of living is lower. The warmer and more uniform climate calls for less food, less clothing and less variety in clothing, less fuel, less shelter. A preliminary study, from a purely fact-finding point of view, which has lately been made by Director Thad Holt of the Alabama Industrial Development Board (an official state body) indicates an 11.67 per cent differential between living costs in the South and the North.

Not only are less food, clothing, fuel and shelter required in the South, but what is required is cheaper. From data reported in the Monthly Labor Review

of the United States Department of Labor, Mr. Holt shows that the annual food ration cost per adult male in southern cities is about eight per cent lower than in northern ones. Clothing costs are about 8.6 per cent lower, and housing costs 18.6 per cent lower.

Living costs are lower, too

HERE, then, is a problem in mathematics. If, as the American Federation of Labor asserts, southern monetary wages are about 39 per cent lower than northern, and, as the Alabama Industrial Development Board asserts, southern living costs are 11.67 per cent lower than northern ones, both percentages must be considered in equalizing real wages as between North and South. Southern manufacturers believe they are entitled to the competitive advantage which lower living costs afford. It is one of the points stressed in persuading new industries to locate in the South. It has, undoubtedly, been stressed too much insofar as it has resulted in the actual exploitation of southern labor. But even if wages in terms of purchasing power—real wages—were equalized, there would still be a lower dollar and cent wage.

Another factor which may confuse the Federation's syllogism is the capacity of southern manufacturers, under present conditions, to undertake the expense which higher wages and improved working conditions would involve. The cupboard, say many, is bare. Depression in the textile industry (where the principal efforts of the Federation will naturally focus) is of long standing and well known. Few mill owners are able to show a profit on their capital set-up. What is more, there is the competitive circumstance (intensified by the depression) that mills which might desire to improve the condition of their employees would be hopelessly handicapped in competition with other mills which continue to "exploit" labor for the sake of low operating costs.

The Federation has a good answer to this competition argument. The answer is unionization of all mills. If, through unionization, a minimum wage and working condition were made uniform in all mills, the "enlightened" mill owners would not be subjected to this particular sort of competition. The labor factor in operating cost would be fixed and would be relieved of all part in textile price competition.

This, of course, would not put any bones in the cupboard. There would still be a question of the manufacturer's

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capacity to increase his costs and remain in business. Talk to a cotton textile man in the South today of increasing his operating expenses, and he feels that you are adding insult to injury. He will tell you that the substitution of other goods for cotton has brought his industry to the brink of perdition and that his problem is one of reduction, not increase. He considers his employee's lot not a bit harder than his own.

The southern textile manufacturer's lot is undoubtedly hard. So hard that he soon will be forced to do something radical about it. The reorganization and merging process which is going on in other businesses is woefully needed in the textile business. The census of 1927 shows 1,035 cotton mills in the South and 842 cotton manufacturing establishments. That this represents business on too small and scattered a scale, present conditions prove. It means idleness and competitive waste.

Furthermore, the cotton mills have few marketing agencies of their own, no control over their products or prices once the mill door is passed. Many of the mill owners are beginning to see that their only hope lies in a new régime of organization and efficiency. With merging into larger units, with costs reduced through the efficiencies and overhead saving which such larger units make possible, with excess capitalization ruthlessly eliminated, with enough integrated power to command and create markets and marketing agencies, with vigorous and concerted advertising campaigns to restore cotton goods to popularity, the textile business can be put on its feet again. In this rehabilitation, the mill worker will have his share.

Too many small units

WHAT is true of the southern textile industry is true, in lesser measure, of many other southern industries. The organization of southern business on a larger and more efficient scale, therefore, like the organization of the southern farmer for cooperative marketing and crop control, bears an intimate relation to the move for labor organization. Without them, President Green of the American Federation of Labor may find himself batting his head against an economic wall.

It is all a part of what is being designated today, somewhat flamboyantly, the "New Industrialism." This is defined as "the theory which not only accepts high wages and short hours as inevitable, but professes to see them

creating a vast new market and, hence, wholly desirable; which eliminates the waste caused by too many small units and casts out the unfit by means of merger; which attacks the problem of profit from the angle of mass production and cost per unit; which adjusts capital to its needs; and which controls its own marketing system."

Consciously or not, President Green adopts this theory, or labor's part in it, when he says:

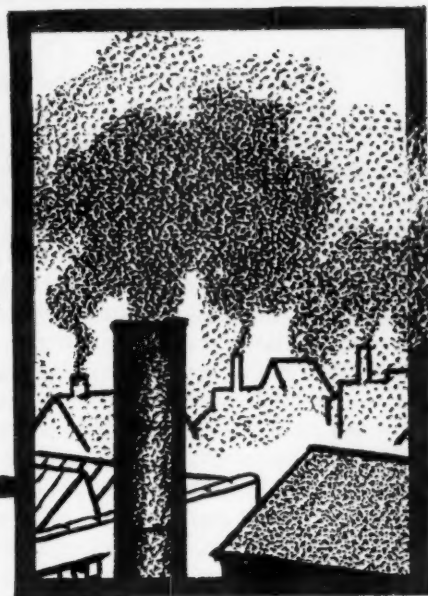
High wages keep trade

"SOUTHERN workers' earnings average \$522 a year below the rest of the country, and hours are ten to twelve a day as compared to the eight or nine hour day prevalent elsewhere. The effect of low wages in hampering the growth of southern trade is shown If southern workers received wages equal to the rest of the country they would have 787 million dollars more a year to spend for industrial products. The resulting increase in business alone would enormously further southern prosperity. The improvement in living standards would mean a higher citizenry throughout the South."

This is only one part of the plot, however. As already suggested, there is little promise for labor organization in the South unless an organization of agriculture and business accompany it.

Probably the greatest obstacle to this three-fold organization is the historic individualism of the Southerner. The loss of identity through organization does not appeal at once to the southern farmer, business man or laborer. I am one of those who believe that this individualism, properly scaled and expressed, is the finest asset of an America threatened by its own mechanical and administrative genius with a disastrous standardization. But southern individualism will need to reconcile itself to a larger scale. Competition, which is impossible without a certain measure of individualism, is still the law of nature as well as the law of this country. But with so many of the units of competition constantly increasing in size, there can be no real competition unless the other units are increased also.

The South today is seeking sincerely to put its economic house in order. It is doing so not only because of the frequent distress which a lack of order causes, but also in anticipation of a vastly successful economic development when this order is obtained. Talk of "new industrialism" interests it because it hopes for an eventual industrialism of its own which will profit by the mis-



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IN Salt Lake City, they call it smog—that murky cloud of smoke and fog that darkens winter skies, leaves sooty deposits indoors and out, aids greatly the ravages of respiratory diseases.

So apt a name deserves a wider circulation, until it achieves a recognition in our language, as the name of a phenomenon all too common in most American cities.

There will be high smogs—little moisture and much smoke, the so-called smoke clouds of today. There will be low smogs, when mist-saturated smoke clings to street levels hampering traffic and destroying goods through its dirty deposits.

Between the high smog and the low smog days will be the customary smoke driven before the wind.

All can be banished by a concerted drive against the smoke evil in your community. Your opportunity for a fine contribution to civic progress may well lie in organizing an anti-smog society for your city. Your personal contribution to such a campaign could well be the burning of sootless, smokeless Reading hard coal in your home's heating plant.

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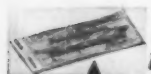
No chance for the all-too-short vacation to be spoiled by a lost or stolen wallet if you carry your funds in American Express Travelers Cheques. Here is "money" you can lose and still have.

When you buy these blue color Cheques, you sign each one of them and they are yours and yours only; and when you wish to spend them you sign them again. Without this second signature they cannot be spent by any one but you. Should they be lost or stolen, uncountersigned or not exchanged for value, they will be refunded in full.

Besides, American Express Travelers Cheques are accepted everywhere—at hotels, garages, stores, and ticket offices, as well as by banks and express offices. Safe funds as spendable as cash.

Issued in convenient denominations of \$10, \$20, \$50, and \$100—cost 75c for each \$100.

For sale at 22,000 Banks, American Express and Railway Express Agency offices. There is no need to take any risks when this worry-proof "money" is so easy to secure.



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takes of other sections and which will be not an end in itself but a means to an end in a new and splendid sort of civilization.

It sees itself burdened, for the time being, with an overproduction for which its own enthusiasm and its own sense of coming economic might may be responsible. There is more cotton than can profitably be sold, more labor than can decently be employed, more developed industrial capacity than can find satisfactory present markets. That the increasing turn of national economic attention southward, and the vast natural assets the South possesses for holding that attention, will eventually relieve this situation, most southerners devoutly believe. But southern opinion is also beginning to see in the trend toward organization—of agriculture, industry and business—a thing to speed the relief and assure a fuller exploitation of the section's economic advantages.

In the organization of the southern farmer along the lines proposed by the Federal Farm Board, they see promise for the principal factors in southern agriculture of a bargaining power, a control over supply and demand, a stability and dignity that will make farming something more than a gamble, increase its purchasing power over the

products of southern industry, and prevent the constant glutting of the southern labor market with dissatisfied farm hands.

In the organization of labor, which the American Federation of Labor is undertaking, they see a thing that can save the more enlightened southern employer from competition on a basis of labor exploitation, and improve the laborer's lot not only for his own sake but for the sake of the increased capacity for purchasing southern products which that improvement will give him.

And in the organization of the textile and other industries into larger, broader and more efficient units they see an opportunity to reduce many items of cost, eliminate excessive capitalization, command wider markets with better goods at lower prices, reach or attract new customers through market control and advertising, and to afford the higher wages which, they are prepared to admit, labor must have if there is to be real prosperity in the South.

It is a "three-in-one" proposition. And, apparently, the one won't work without the other two. The South's problem today cannot be settled by the American Federation of Labor alone. But the Federation can go a long way—if it keeps step with the farm cooperative movement and business.

How Big Is a Farm?

GRANTED that it has been something of a riddle in American households to know how long is a piece of string, the question of "how big is a farm?" has also gone a-begging for definite answer.

Now the official dimensions are at hand in a statement from the United States Census Bureau. A farm, according to the Bureau, is all the land farmed by one person, whether it is three acres or 3,000 acres.

This answer looks easy, but government officials say not. They had to decide what the census enumerators would report as a farm when they made their rounds in April.

The area of farm land owned by one person has nothing to do with the definition of a farm so far as the Census Bureau is concerned. The question is, not how much land does he own, but

how much does he operate or farm. A man who owns 300 acres might farm half of it himself and rent the other half out to three tenants, 50 acres to each. This land would go down on the census records as four farms, because the land farmed by each man is considered as a unit.

If a man rented several tracts of land and used all of them for farming, they would go down as one farm. But no tract of land of less than three acres will be registered as a farm unless it produced last year at least \$250 worth of farm products, either consumed on the farm or sold—a change from the registration practice in 1920.

City workers who live at the edge of town, keep a cow and chickens, and perhaps go in for a bit of light farming, qualify as farmers if their products amounted to \$250, regardless of the size of their holdings.

—R. C. W.

WORLD CITY OF A NEW ERA

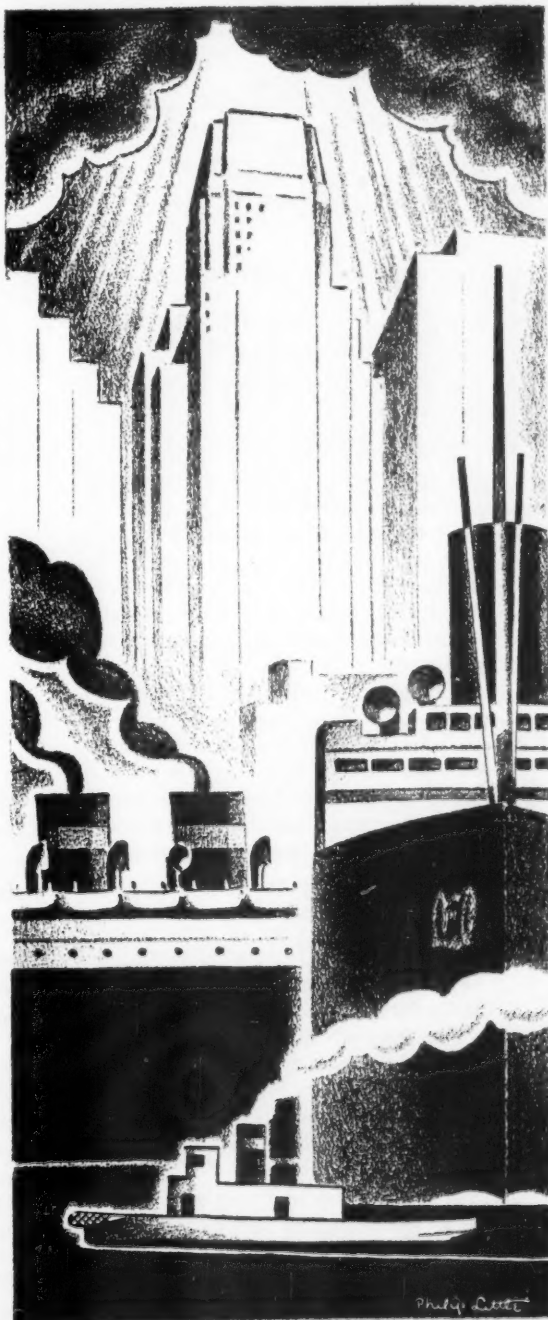
SAN FRANCISCO — BUSINESS
HEADQUARTERS OF THE
WEST TODAY; TOMORROW
ANOTHER GREAT NEW YORK

TODAY headquarters city of Western commerce, finance and industry, San Francisco owns an admirable place. But as this West spreads wide across the ocean, as the Pacific Era dawns on the awakening of 900,000,000 people in the lands that the ocean borders, San Francisco becomes a city to challenge your imagination!

Traditional gateway to a near-billion people who look upon America as a miracle and want the *miracle-things* it has to sell, San Francisco is destined for the leadership in a commerce greater than the world has ever known.

Many are the claimants to the leadership in this new era. But out of the mass of claims that conflict, San Francisco's rises clear and clean . . . on fact.

Its port, second in the United States in value of water-borne tonnage, is port of call for the steamships of one hundred and forty-six lines. Three transcontinental railroads compete to serve it best. Natural gas, efficient and economical, an all-year even climate and a plentiful supply of labor that is both contented and highly productive combine with the wealth of raw materials that are immediately available to make this a manufactur-



ing center without a western equal. Indeed, San Francisco is today headquarters for the leading manufacturing, as well as financial, commercial and distributing interests in the West.

Often obscured is the fact that 11,000,000 people who live West of the Rockies can be served more quickly and cheaply from San Francisco than from any other single city. Furthermore almost half the people of California live within a radius of one hundred and fifty miles from the foot of Market Street. 1,600,000 people, of greater than average per capita wealth, live within the radius of an hour's ride.

Truly, San Francisco's promise for the future is based upon undeniable facts of the present. *The West is building up another great New York!*

Californians Inc., Dept. 1307, 703 Market Street, San Francisco, will be glad to answer authoritatively any question you may have; to send you the book, "Why Manufacturers Choose San Francisco." There is no obligation, of course.

SAN FRANCISCO

IN CALIFORNIA "WHERE LIFE IS BETTER"

When writing to CALIFORNIANS INC. please mention Nation's Business

TOPICS FROM THE BUSINESS PRESS

By PAUL H. HAYWARD

PUNCTUALITY is a virtue more honored in the breach than the observance, but that it does have its high disciples is indicated in this excerpt from the *New York Sun*:

The meeting was called for four o'clock. At one minute before the appointed hour the attendant closed the doors. As he did so, he took notice that all the chairs were occupied.

The room and its furnishings were in taste with the architecture of the building. A long table occupied the center of the room. Lewis Cass Ledyard was in the chair set for the presiding officer. At his right hand was Cardinal Hayes. Next to the Cardinal sat J. P. Morgan, then came Payne Whitney and George F. Baker, Jr. At the table's end was Elihu Root and next to him Vincent Astor and Henry Walters. The engineering profession was represented by William Barclay Parsons and the law by two former justices of the Supreme Court, Morgan J. O'Brien and Samuel Greenbaum, and by John G. Milburn and Frank L. Polk.

At a sign from President Ledyard, Mr. Whitney arose and proceeded to read the report of a committee of which he is chairman. It was the monthly meeting of the trustees of the New York Public Library. Every man was on time.



♦ Our Bulls and Bears

WE are all more or less familiar with "bulls" and "bears" of the stock-market variety, but perhaps less so with the derivation of the two familiar terms. Writing in *Commerce and Finance*, Theo. H. Price enlightens us:

The word bull as used in the stock market is from the French *bouillant*, meaning boiling, and the term bear comes from *bas*, another French word meaning low or shallow. Neither word is supposed to have an offensive implication, but in America at least the speculative bear is regarded as malevolent in his purpose and destructive in his activities.

This may have increased the prejudice against operations for a decline, but a more plausible explanation of the disrepute in which bears are held is probably found in the fact that human nature is essentially constructive and abhors men or the methods that aim to destroy property or values.



♦ What's Ahead for the Butcher?

A REVOLUTION in the meat-packing and retailing industries is visioned by J. G. Donley in the *Chain Store Review*. He writes:

Modern meat-packing plants may save everything but the squeal of the pig; but it remains true that the loss through shrinkage while the carcass is in their hands is more than equal to their net profits. This shrinkage loss will be almost entirely eliminated when meat is cut, ready for retailing, in the packing plant and immediately quick-frozen.

A large part of the cost of retailing meats consists of wages of experienced meat cutters who actually cut meat during only a small part of the time they are on duty. Added to this overhead, is the cost of maintaining and stocking a large refrigeration room and all the paraphernalia of a butcher shop.

No other food product is so largely "processed" at the point of retail distribution as is meat.

The above are the simple facts that reveal the revolutionary possibilities for the meat-packing industry and for the food retailer in the substitution of the new-day, ready-cut and quick-frozen meats for the prevailing method under which retailers maintain a standing army of butchers ready to cut meats to order.

No wonder those who have been studying the new economy of quick-frozen meats declare that the retailer's profits will be surer and more satisfactory, while the cost to the consumer will be considerably less!

♦ Old Dogs and New Tricks

BUSINESS men who have clung to old-fashioned methods, drawing such com-

fort as they may from the thought that old dogs can't learn new tricks, are barking up the wrong tree in a manner of speaking, *Shoe and Leather Facts* infers. The old saying about old dogs, we are informed,

has been positively refuted by recent experiments by eminent psychologists. Tests have proved that a man of 50 can learn a new language more rapidly than a boy of 14. It has been demonstrated that a man of 50 can learn practically anything more rapidly than a young boy.

But the problem is to arouse the adult's ambition to learn. In other words, a youngster is enthusiastic and anxious to learn. . . . The energetic adult can learn just as rapidly as the energetic boy. Therefore, those of us who call ourselves adults need have no thought that there is no use trying to learn new ways and modern methods. It is only the lazy adults who will refuse to try.



♦ Education and British Business

BRITISH business men are still divided in their opinions as to the value of commercial education, says *The Commercial*, a business weekly published by the Manchester *Guardian*. "A large section," it continues,

has never conceded that a public school or university education is of any value in a business career. Employers of this school put their faith in the old, traditional methods of training. The boy who has been through the mill of office routine is to them more valuable than the young man from the university, and if they pay lip service to the ideal of better education for industry they will admit no more than the need for teaching in commercial subjects such as office routine, bookkeeping and accountancy, and would generally prefer that this should be the part-time occupation of the boy or girl who is already in industry. . . .

A large part of the problem, the editorial continues, lies in bridging the gap between business and the university. A

step toward a solution has already been taken, we learn, one that merits some thought on this side of the water. It consists of

a short intermediary course to come between the school or university and the business career. . . . It is a scheme for a short, intensive, three months' course in commercial subjects for both men and women which should meet industry's demand for commercial instruction without sacrificing the benefits of a liberal education. It has been the backing of such important industrialists as Sir Josiah Stamp and Mr. Gordon Selfridge, and will no doubt receive the support of a large body of employers.

♦ Tapping a Rich Market

REVIEWING the rapid development of air-line service between the United States and South America, particularly along the east coast of the latter continent, *Dun's International Review* remarks that

One is impressed by the commercial significance of this service to manufacturers and importers of the Americas. Its importance is reflected in the figures of the United States Department of Commerce, which puts an estimated value of \$3,000,000,000 on the eastern trade route. Other figures show that 78 per cent of the total world trade of Latin America is centered along the route served.

The line provides a fast, direct service to countries which represent 65 per cent of the total population of Latin America, 72 per cent of its total wealth and 91 per cent of all postal activity.

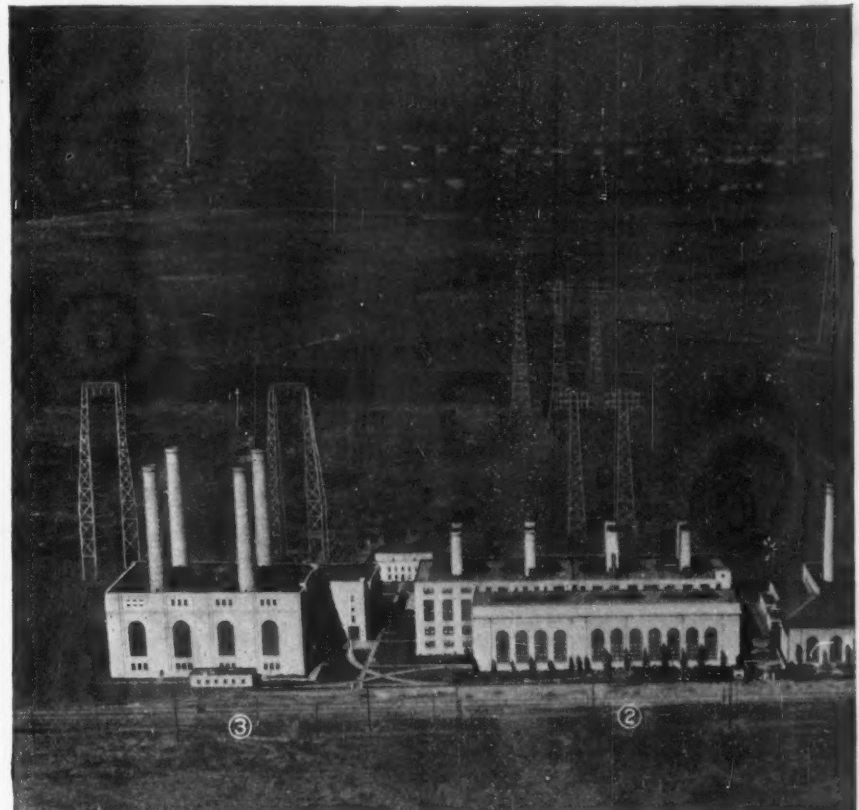
♦ New Blends in Brick

MODERN trends in the increased use of color have invaded the commercial building field, notes *Construction Methods*, adding that

one manufacturer has just announced the production of glazed face brick in six or eight shades of any selected color to produce in a single structure the effect of flowing color, without banding. Arrangements for shipping have been perfected whereby glazed brick of different shades arrives on the job, properly labeled, in the order in which it is to be used, requiring no selection on the part of the masons.

Tests of the variously shaded brick have resulted in the creation of some striking effects in flowing color design for a skyscraper office building, the face of the structure changing gradually from a dark brown for the lower stories to white at the top. The color changes are imperceptible from floor to floor. The normal horizontal lines of the street, accentuated for a few stories, are gradually diminished and changed into the natural vertical effect of a tall building.

BUILDERS and ENGINEERS for the BUSINESS LEADERS of AMERICA



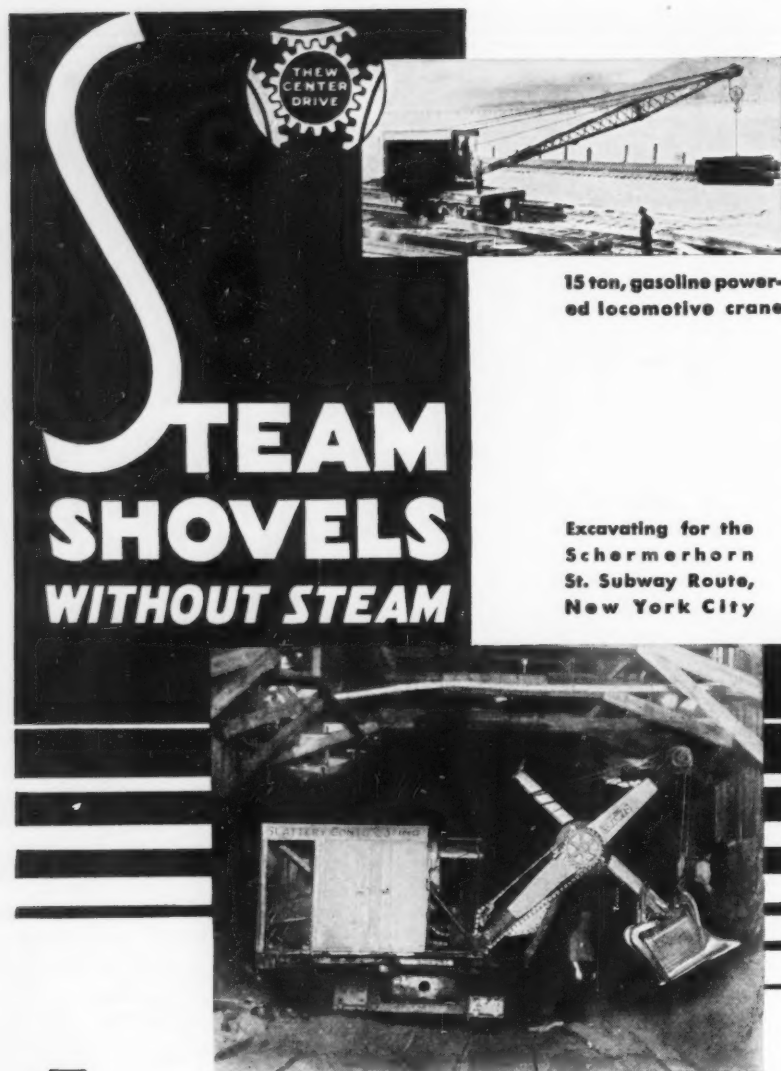
Long Beach Steam Plants of the Southern California Edison Company, Ltd.
Plants Nos. 2 and 3 were designed and built by Stone & Webster Engineering Corporation under the supervision of the client's Department of Engineering Design.

GENERATION TRANSMISSION and DISTRIBUTION of POWER

To meet every need of
Utilities and Industrials

STONE & WEBSTER ENGINEERING CORPORATION

A SUBSIDIARY OF STONE & WEBSTER, INCORPORATED



STEAM SHOVELS WITHOUT STEAM

15 ton, gasoline powered locomotive crane

Excavating for the Schermerhorn St. Subway Route, New York City

THE chances are that the "steam shovel" in operation today is not a steam machine, but a power shovel or crane—powered by a Gasoline, Diesel, or Electric Motor.

The demand for greater flexibility, greater range of operation, lower costs has changed the old standards of power shovel and crane design.

Lorain machines, meeting these new demands with one simplified design, have stepped into leadership. The Center Drive principle gives a standardization of design regardless of the type of power, and whether the machine is for shovel, crane, dragline, or backdigger operation, offering

LORAIN
45 * 55 * 75

10 to 20 Ton Cranes $\frac{3}{4}$ to $1\frac{1}{4}$ and $1\frac{1}{2}$ yd. shovels, cranes, clamshells, draglines, skimmer scoops, backdiggers. Gas, Diesel and Electric powered.

a value you cannot afford to overlook in the purchase of a power shovel, crawler, crane, or locomotive crane.

THE THEW SHOVEL CO.
LORAIN • • OHIO

THEW

When writing to THE THEW SHOVEL CO. please mention Nation's Business

Two Principles that Sell Hardware

(Continued from page 27)

a workman is given all of the time and attention required to solve a problem or make a purchase. If he needs a special tool, the store will get it for him in the quickest possible time. The cost may be three or four times the price paid; but Mr. Weaver feels that the purchaser should not be penalized because an item he needs is not in stock. Frequently, too, a workman brings a problem to the store, and the men behind the counter do everything they can to find the solution.

"If we can't answer off-hand a workman's question regarding his equipment," Mr. Weaver continued, "it's our fault, not his. So we find the answer, if we can, regardless of cost. It is our business to provide an impartial service, and we consider that we have but one class of trade.

"As a result, we have built up a large business among mechanics and members of all the trades in our line; but the indirect attraction of business is even more valuable. We have always done a large business with transient contractors, and for some years we did not know why. We do little advertising and have never made any direct effort to get this business. But the contracting firms nearly always employ local workmen, and whenever a foreman or superintendent asks the men where to buy a bill of hardware the vote is heavily in our favor.

Business that isn't bought

"THIS business is especially welcome, for it proves that our service is appreciated, and it is more valuable, in our opinion, because the workmen's endorsement is voluntary. We have never paid any man to influence a sale.

"People frequently ask us why we do not modernize our store. Sometimes new customers are surprised because they had been led to expect more 'front'; but we do not think that a modern appearance would help our business. Practically all our customers are men, and they come to us for hardware service and not because of the way we part our hair. If we carried fashion goods and catered only to women, then we would require the added attraction of modern windows and fixtures; but the old store is good enough for hardware specializing.

"The drift of many lines of retailing,

apparently, is in this direction. We know that it is our policy of doing business, and not our venerable age, that is responsible for our success. I am sure that we could open a new store under another name, in any good locality, and, operating on our present policy, show a good profit the first year.

"I do not mean to say that every hardware dealer who adds house furnishings makes a mistake. It all depends on his locality. If there is enough hardware business in a community, I believe there is room for a store like ours, and that it will prosper beyond every possibility of any general hardware store. Today, in being a purchasing agent for his community, a successful retailer must understand the customer's viewpoint and needs, because practical retail service in any line is merely distributing merchandise the way the consumer wants his merchandise distributed."

The False Profits of Socialism

(Continued from page 44)

price concessions of from ten to 25 per cent have failed to develop a stampede to the state funds.

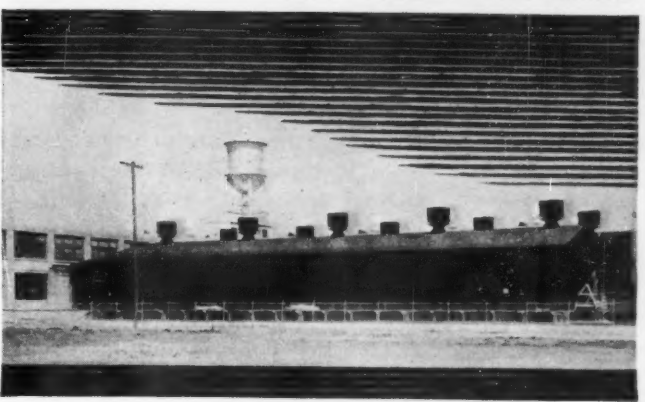
This failure of cut-rate state insurance to attract business men more generally in states where there is a choice between state and private insurance is perhaps the most conclusive evidence against government insurance. But it is equally true that the failure of these same business men to unite to prevent the socialization of insurance is evidence of their apathy in such situations.

It is apparent that those business men who support socialism for the other fellow—and also those business men who apathetically fail to oppose such tendencies—are themselves ignorant of the interdependence of all industry. They fail to realize that the final result of such policies will be complete socialization of industry, their own included. They do not appreciate that the immediate result of the adoption of any such socialistic scheme is higher taxes, more political job holders, less individual liberty and the further strengthening of bureaucracy.

When they do learn these essentials they will perhaps adopt different tactics. After all, only a few are utterly foolish.

Certainly the situation is not one to be trifled with. Socialism for profit is making headway and will continue to do so until business men come to their senses and stop its progress.

ROBERTSON STRIKES AT COSTS



Plant of the Continental Can Company at Los Angeles. This is one of ten plants of this company in different parts of the nation in which Robertson Building Products have been used.



**VAST NEW FIELDS ARE
OPENING UP BEFORE
THE CANNING INDUSTRY**

Here is an industry that has sought . . .
and found . . . other fields to conquer.

Things are going into cans today that no one thought of canning a few years ago.

Research and deep thinking are opening up vistas of future markets that may rival the food industry as customers for cans.

It is no accident that you find the H. H. Robertson Company's products in high favor in this up-and-coming field. In almost every division of business where vast future developments are envisioned . . . in the rayon industry . . . in aviation . . . in the automobile field . . . and in scores of others . . . you find the H. H. Robertson Company providing freedom from corrosion in "light-construction" buildings, providing scientific daylighting in any type of buildings, providing accurate, measured ventilation.

If you have any problem in your buildings, write to the Robertson engineers for their suggestions.

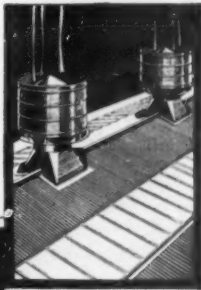
H. H. ROBERTSON COMPANY · PITTSBURGH

ROBERTSON

WORLD

WIDE

BUILDING SERVICE



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H. H. Robertson Co.
Pittsburgh

Building Efficiency into a City

(Continued from page 30)

must usually be closed off. Space under the streets should be reserved for subway uses anyhow.

Transportation at the center

SHOULD it be impossible to locate the city on a water front I would rearrange the general plan and make the railway lines the division between the industrial and the commercial and residential parts of the city. This would permit roomy grounds for manufacturing plants, ample parking space for cars, with room for extension of plants on the side away from the city, and working men's homes surrounding the manufacturing districts. The downtown air field and railway, interurban and bus terminal would be together at the central point in the city. Such a city would lose the advantage of water shipment but would gain over a river or lake front city in having a plan which would permit indefinite growth in every direction without any one class of property encroaching on another.

There is nothing revolutionary or sensational in any of these suggestions. Sanity is seldom sensational. After all, building an ideal city would be much the same as building an efficient manufacturing plant. We build efficiency into a manufacturing plant by planning it so that material comes in at the right place, progresses from one stage to another by straight line production methods with the least possible handling and rolls out a completed product. Whether you are handling parts in a factory truck or people in street cars and motor vehicles, orderly movement is efficient and confusion is wasteful.

The most sensational thing about a discussion of how an ideal city should be planned and built is the realization that so many features of the ideal city are applicable, at least in part, to present cities which are far from ideal. How definite the movement in that direction may become depends upon the interest business leaders may take in it.

City planning, to the business man, is too often something that city officials and the newspapers talk about. He probably would approve of it if he took the trouble to find out what it is.

I sometimes wonder whether, if some supermathematician could put into

cold figures the millions of dollars which are wasted every year in the confusion of our big cities, our industrial and financial leaders might not wake up to the fact that the job of cleaning up the mess is their job. Confusion and delay cost real money and business foots the bills whether it wants to or not.

Probably city planning has not attracted more serious attention because business men have the wrong conception of what real planning, as applied to an existing city, may mean. Many of those who write and talk on the subject like to deal with beautiful and costly groupings of public buildings, stately plazas and dignified monuments. Others show fantastic conceptions of three or four level streets, with mammoth buildings housing every activity and airplanes fluttering all around, looking for unoccupied roofs to land on.



Industries which produce fumes should have a special location

What we need most, I believe, is to differentiate between those features of city planning which would be fine if they could be accomplished at reasonable cost and those which can be accomplished and will help bring order out of confusion. Most of the latter lie in the direction of zoning, traffic control, air and rail terminals—planning the activities of a city more nearly than its building.

Naturally many recent suggestions

are inspired by the problems created by the automobile and the airplane, contemplating, in many instances, buildings which include parking floors for cars and roof airplane landing platforms. I believe the arrangements for housing automobiles are a step in the right direction. Motor cars are used so universally that they must be considered as a permanent part of the city problem. Roof airplane landing places may be different.

Undoubtedly great advances will be made in the next few years in designing planes which will land safely in small space. But downtown landing fields for general passenger traffic and for mail and express will have to come in every important city and the roof landing place will then be a question solely for the building owner and his tenants—a matter of cost and possible revenue.

Air travel and air shipment of goods will have a great effect on the city of the future, without doubt. But the city of the future will not have to be built around its airport, any more than the city of today is built around its freight houses and railroad yards. Those who picture the city of the future as revolving entirely around its airport seem to forget that no sort of transportation has been replaced by newer developments.

We have progressed through the centuries from human carriers to the pack horse, the ox cart, the pack train, the canal barge, the steamboat, the railroad, the electric railway, the motor truck, passenger automobile and bus to the airplane. All of them are still in use.

Future of air transport

I EXPECT to see the air transport lines develop wonderfully. They have the same advantage as lake and river steamers, in that they need no ground investment save for terminal facilities. They need purchase no private rights of way, lay no rails, erect no costly telegraph and block signal systems.

They have, it is true, problems in physics to overcome. They have to use a great deal of power to stay up and to overcome wind resistance, so that as yet the amount of weight carried per horsepower is nothing like that carried by ground vehicles or ships. Constant development is being achieved, how-



SUBJECT TO HIS APPROVAL

Time—That Tough Old Tester of everything in this world—writes the final "Okay" on the materials that make up any structure.

For Time alone can tell whether those materials are worthy—serving faithfully through the years, or causing trouble and expense long before completing their expected life-span.

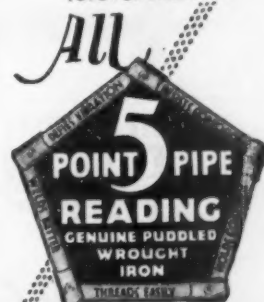
In the important matter of piping, so vital to permanence, Time has spoken clearly. His verdict—today as eighty years ago—is Genuine Puddled Wrought Iron for lasting pipe economy and satisfaction. No other pipe material has proved so successful in withstanding all the attacks of Time and his destructive henchmen—corrosion, vibration, leaky joints and the rest.

Reading 5-Point Pipe is made of Genuine Puddled Wrought Iron, that rust-resisting, strain-defying metal of the ages. That is why you can specify Reading 5-Point Pipe with the confidence that it will outlast ordinary pipe two to one, and probably five to one!

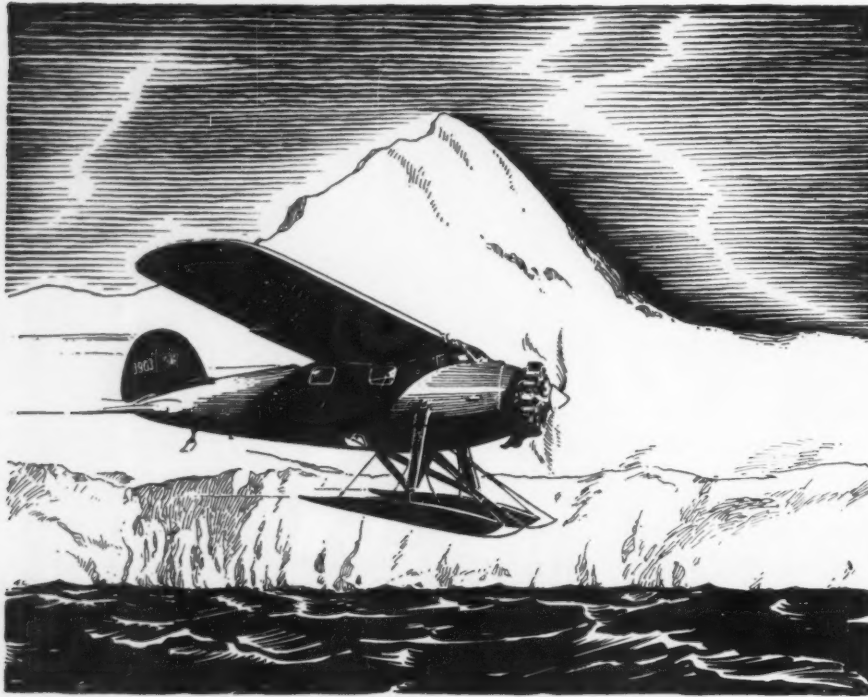
READING IRON COMPANY, Reading, Pennsylvania

Use only Reading
5-Point Nipples
with Reading 5-
Point Pipe—you'll
know them by the
indented spiral
band

For Your Protection,
This Indented Spiral
Forever Marks



Science and Invention Have Never Found a Satisfactory Substitute for Genuine Puddled Wrought Iron



—and he named it "LOCKHEED MOUNTAIN"

Captain Wilkins—pioneer explorer of both the Arctic and Antarctic by air—and the Lockheed plane which he used in his history-making polar flights



It stands at the bottom of the world, majestic and perennially snow-covered... Captain Sir George Hubert Wilkins was the first man ever to sight this Antarctic peak and he named it "Lockheed Mountain"—in honor of the ship from which he discovered it.

Captain Wilkins chose a Lockheed for his polar expeditions by air because he knew "it was the finest ship available." He flew it over the top of the world on a 2,200-mile non-stop flight from Point Barrow, Alaska, to Spitzbergen. Later he took it, as one of two Lockheeds, to the Antarctic.

Captain Wilkins' Lockheeds were flown on wheels, skis and pontoons—in temperatures which ranged from 110 degrees above zero to 54 degrees below! And today Captain Wilkins' original Lockheed, the second ever built, is still in active service!

The record of Captain Wilkins' ship conclusively proves the stamina, safety—and the speed—that are built into every Lockheed.



DETROIT AIRCRAFT

FORT AND CAMPAU STREETS, DETROIT

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ever, and aircraft will do increasingly better and become more and more important.

But we will still have our other methods of transportation. Commerce will continue to depend on the cheapest method of transportation, the element of time considered, and the city of the future must make provision for all.

Rapid handling of air mail and express and development of air passenger travel to its fullest extent demands downtown landing fields and the sooner they are built the less expensive they will be.

In water front cities the problem will not be so great because land can usually be filled in if it cannot be obtained in any other way. Whether the problem be great or small, however, it is here and its speedy solution is important to the business of any city.

Zoning restrictions can accomplish much. An intelligent survey of any important city will show large areas which, if zoned for light manufacturing, could be developed to carry employment to the workers in the districts where they live without detriment to those districts.

Streets must be cleared

TRAFFIC is among the most difficult of city problems. The idea of having several floors of new downtown buildings devoted to automobile space is probably an indication of what may be expected. Cars will have to be gotten off the streets in congested sections because downtown streets can seldom be widened without prohibitive expense.

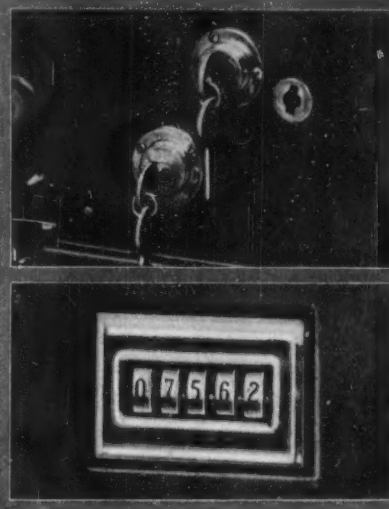
Rapid transit, underground or on railroad or other private rights of way will have a great effect on downtown street traffic, because few men will drive into the center of a congested city if they can get there quickly any other way. Many cities are creating one-way streets.

The separation of truck traffic from lighter and faster vehicles by specified heavy traffic streets would help to keep things moving.

It is interesting to talk about planning an ideal American city. In the light of what we have learned it ought to be possible to plan a city so that it would develop in orderly and efficient fashion, combining beauty with utility. But such a city would have to be entirely new, to be built from the beginning.

In the meantime the cities which are here have pressing problems. A sane effort by business leaders to solve some of these problems would be of inestimable value.

9000 CHECKS AN HOUR... \$40,000,000 A MONTH THE RECORD OF TODD CHECK SIGNER AT THE GUARANTY TRUST COMPANY



TOP ABOVE: Like a safety deposit box, the Todd Check Signer requires two keys.

AT LEFT: The Check Signer which serves the Guaranty Trust Company.

ABOVE: This meter records every check passing through the machine.



SECOND largest bank in America, sixth largest in the world, the Guaranty Trust Company of New York has freed its officials forever from the tedious, time-wasting task of signing checks by hand. While they devote themselves to more profitable duties, check signatures are affixed swiftly, efficiently and safely by a Todd Check Signer.

Interestingly enough, although The Todd Company claims a rate of only 7500 checks an hour for its machine, the expert young lady in the illustration above maintains an average of 9000 checks an hour! And in the course of a month, she nonchalantly signs checks for more than \$40,000,000!

Sheets of checks inserted in the Todd Check Signer emerge from the other side signed, cut and stacked in numerical order. The signature itself, reproduced by the offset process, is more difficult to counterfeit than any other known. It appears on an intricate background, accompanied by the photographic likeness of an official, building, product or trade-mark. A smaller model of the Check Signer, handling 1200 checks an

hour, has every feature of the large machine except capacity. Both are electrically operated.

The list of users of Todd Check Signers reads like a roll-call of notable American businesses. Your own executives would welcome the conservation of time and energy this machine makes possible. Phone the Todd Office in your city for an immediate demonstration, or mail the coupon directly to us. The Todd Company. (Est. 1899.) *Protectograph Division*. Rochester, N. Y. *Sole makers of the Protectograph, Super-Safety Checks and Todd Greenbac Checks.*

THE TODD COMPANY. *Protectograph Division*
1130 University Avenue, Rochester, N. Y.

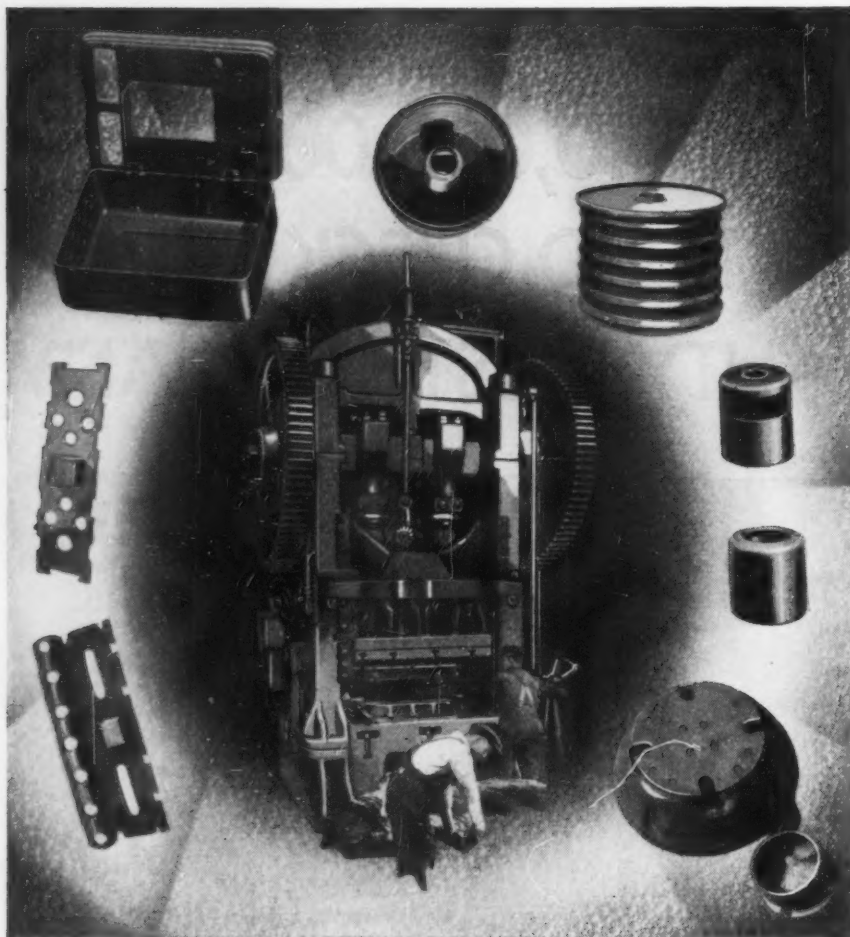
Please send me complete information about the Todd Check Signer

Name _____

Address _____

Business _____

TODD SYSTEM OF CHECK PROTECTION



TRUSCON

famous for its pressed steel products... Now offers general industry its vast resources in reducing manufacturing costs with

PRESSED STEEL

Manufacturers, searching out new features of refinement for their products—for methods of cutting costs and increasing sales, in many cases, have been astounded when Truscon engineers demonstrated the possibilities of redesign in pressed steel.

What has been done for others may be possible for your firm as well. If not the entire product, one or more of its parts, when pressed from steel, may bring you appreciable savings in weight, material, machining and labor.

Truscon pressed steel redesign engineers will gladly study your catalogs and parts list, and, if pressed steel can bring improvements and increased profits, tell you.

This service is free—no obligations attached. Simply mail your catalogs and parts list to our Pressed Steel Redesign Engineer.



TRUSCON STEEL COMPANY
Pressed Steel Division
 6102 Truscon Ave. :: Cleveland, Ohio

SAVE WITH PRESSED STEEL

When writing to TRUSCON STEEL COMPANY please mention Nation's Business

Fashion, a Profession for Women

(Continued from page 54)

the stylist in the retail field and in the manufacturer's field. I know, because I have viewed the situation from each side. Confusion reigned but eventually both the retailer and the manufacturer saw the value of the stylist's efforts and gave her an opportunity to demonstrate and prove her worth.

The manufacturer had seen this woman working successfully in the retail field and he realized that she was becoming a vital factor in his own business. He, therefore, followed the merchant's lead and engaged a woman of culture to supply this need. The difficulties for her were greater here than in the retail field because her duties were not so easily defined, no one in the concern particularly wanted her and the results were intangible. It was admitted that she could be useful but no department especially welcomed her and she generally had to find a place for herself. I have been retained by manufacturers who did not themselves know just what they expected of me.

When personality ruled

IT BECAME, in most cases, a question of personality. If the woman had tact and a sincere and unselfish devotion to the business, she managed to make herself useful enough to overcome prejudice. Unfortunately, a great many women lacked that point of view so essential to the success of their work and frequently the experiment came to nothing.

The next stage in the development of the profession of fashion for women occurred when it became fashionable in the leisure world for women to work. It was the smart thing to do. Both the retailer and the manufacturer were deluged with applicants for stylists' jobs. As the belief prevailed that any well-bred woman could supply "the woman's viewpoint," which was all that the retailer and the manufacturer really thought they needed, many positions were created and industry was suddenly overrun with embryo stylists. Even today, this new profession is in somewhat the position of advertising 30 or 40 years ago.

There was no wage standard. As a matter of fact, compensation was generally regulated by the social position of the applicant—what she was accustomed to, what her standard of money values had been and what the employer

POSTAL TELEGRAPH designs a NEW TYPE of TELEGRAPH OFFICE



Interior view of one of
Postal Telegraph's new offices
at Washington, D. C.

• • • Another forward step by Postal
Telegraph in the vast expansion program
of the International System • • • • •

If you live in Washington, Cleveland, Chicago, no doubt you are already familiar with them—*Telegraph offices such as America has never seen before . . .*

Tastefully designed writing rooms, comfortable chairs, roomy desks—and a new spirit of courteous efficiency.

One of the new-type offices recently opened in Washington is shown here.

From these cheerful, spacious rooms—as from any Postal Telegraph office today—you can flash swift messages to 70,000 points in the United States—8,000 in Canada.

You can connect promptly with the many rich markets of Central and South America, through All America Cables . . . You can quickly contact European and Asiatic

points, through Commercial Cables . . . You can send messages to ships at sea, by Mackay Radio.

These fine modern offices—and others that Postal Telegraph will open—form part of the vast expansion program of the International System—the only American telegraph company offering a worldwide service of coordinated record communications.

To familiarize American business men with the many modern facilities this great system offers—to point out economies they make possible—Postal Telegraph now offers you a free analysis of your own communications problems.

A note or a phone call to any Postal Telegraph office will bring a specially trained representative. He will tell you how to promote efficiency and cut costs in your use of rapid communications.



Exterior view of the office
shown above

Postal Telegraph



Commercial
Cables

All America
Cables

Mackay
Radio

Believe it or not - insurance is a personal matter

FIRE INSURANCE is universally defined as a "contract of personal indemnity." Actually you do not insure a building or furniture or stock. Rather, you insure yourself against the loss of these possessions.

Since insurance is a personal matter our policies do not automatically transfer with a sale of your property. We must know who the new owner is and give our consent to him before he can be entitled to the benefits of the policy.

It is only natural for us to stress the personal side of insurance. In the first place it enables us to visualize the personalities who are our policy holders. And, in the second place, we protect you when we preserve the integrity and moral worth of all our insureds.

A bad spot here and there may taint the entire group. "Crooked losses" come only from dishonest people and such losses should not be paid out of the premiums contributed by you.

Personalities and good faith are the essence of any contract!

Agricultural's old, solid business has been reared on mutual faith. Its competent, loyal agents work on this basis—fairness and faith. And this is as you would have it—for property insurance is a personal matter.



~~~~~  
You can obtain  
Agricultural Policies  
for all coverages such as:

FIRE • PARCEL POST  
AUTOMOBILE • MARINE  
USE AND OCCUPANCY  
RENT AND LEASEHOLD  
WINDSTORM • FLOATERS  
SPRINKLER LEAKAGE  
REGISTERED MAIL  
TRANSIT • EARTHQUAKE  
TOURISTS' BAGGAGE  
EXPLOSION AND RIOT  
AIRCRAFT DAMAGE  
~~~~~

Agricultural
Insurance Company,
of Watertown, N.Y.

When writing to AGRICULTURAL INSURANCE COMPANY please mention Nation's Business

felt was the least he could offer this gracious person according to the standards of her world.

Therefore, a socially important debutante could demand, and often receive, a larger salary than the woman of lesser prestige who, through economic necessity, had developed valuable qualifications for her job.

The wage scale ranged from \$2,400 to \$18,000 a year and sometimes the best work was given entirely free of charge by some interested member of the manufacturer's family who wanted to find and test her value in the commercial world.

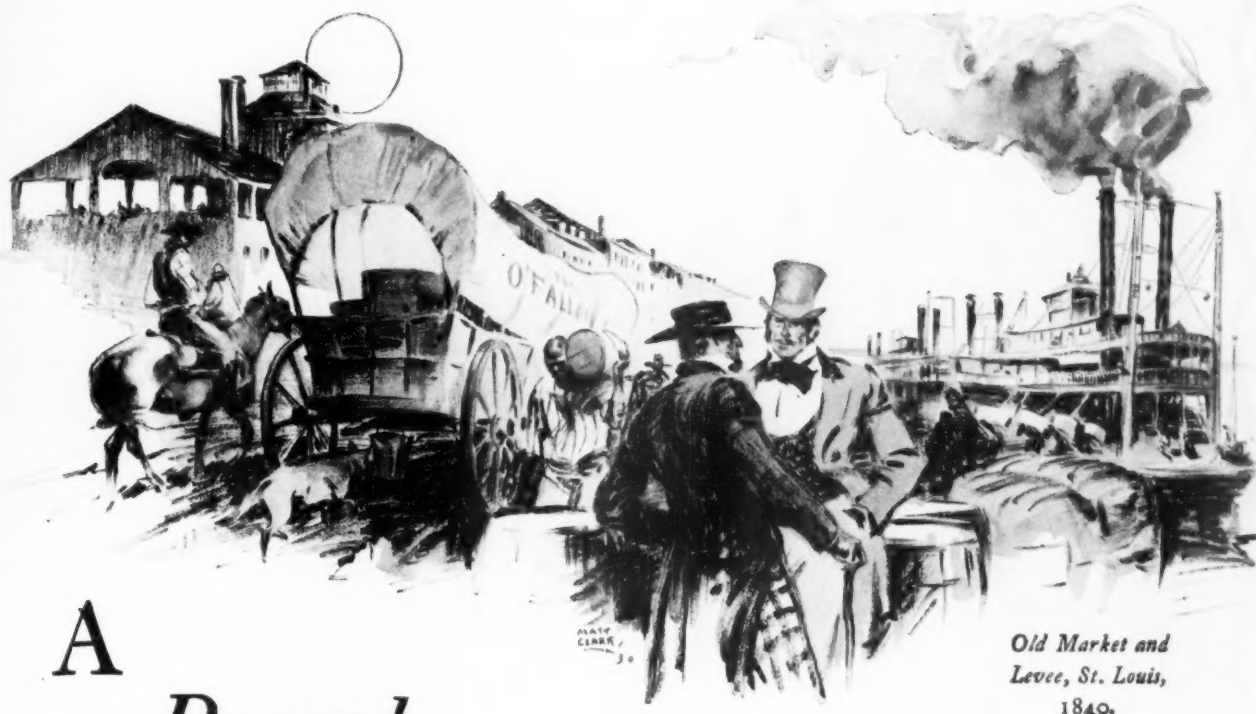
Fortunately, in the last five years many adjustments have been made and the standard of compensation for this type of work is more nearly uniform. It is a vitally important factor in the industry and requires highly specialized talents which should command proportionate compensation.

The majority of manufacturers in this country have about decided that something which, for want of a better name, they call "the woman's viewpoint" is vital to their business. Facts have been brought to their attention which convince them that certain firms are making large profits by capitalizing this viewpoint. It has been my experience that one successful effort, whether with rugs, blankets, curtains, or what not, leads to inquiries and requests for similar aid from other manufacturers. More and more manufacturers are adopting the new methods successfully and efficient fashion work is fast finding a ready market.

Technical knowledge is necessary

SOUND fashion judgment is analogous to sound manufacturing judgment. Both are based on long experience and on certain fundamental principles. Yet in both cases the personal equation cannot be stated by rule or its exact value defined. Aside from integrity of the highest order and all the cultural background possible, the stylist needs technical and worldly judgment. She needs consummate tact, founded on a deep and real human sympathy and a genuine liking for people. She must have humor and adaptability. She needs elasticity, tolerance and patience in her contact with opposing forces and she must combine flexibility with firmness.

She arrives at a definite conclusion about a given matter only after the most searching analysis of the subject. Granting that her judgment is sound, the opinion she forms must then be as



A Record that compels confidence

A CENTURY AGO when the early river boats were helping to make St. Louis a thriving commercial center, mutual insurance had already served four generations of Americans.

With its roots deep in the colonial history of America—with more than a score of companies over a hundred years old, mutual insurance has back of it a record of 177 years of sound and successful operation.

It is to a great extent the confidence bred by this unmatched record, that annually impels thousands of corporations and individuals to join the army of mutual policyholders.

Mutual casualty policyholders benefit by advantages that are not offered by any other type of casu-

alty insurance carrier—a direct friendly relationship with their company—a voice in its management—a substantial saving in cost through dividends.

Any business man—any property or car owner—will find interest in a booklet which will be sent on request. You may ask for it with the definite assurance that there will be no solicitation of any kind. Address Mutual Casualty Insurance, Room 2201, 180 North Michigan Avenue, Chicago, Illinois.



MUTUAL PROTECTION IS AVAILABLE
FOR THESE CASUALTY RISKS:

Accident	Liability (all forms)
Automobile (all forms)	Plate Glass
Burglary and Theft	Property Damage
Workmen's Compensation	Fidelity

MUTUAL CASUALTY INSURANCE

These Old Line Legal Reserve Companies Are Members of

NATIONAL ASSOCIATION OF MUTUAL CASUALTY COMPANIES and AMERICAN MUTUAL ALLIANCE

Allied Mutuals Liability Insurance Co., New York City; American Mutual Liability Insurance Co., Boston, Mass.; Builders Mutual Casualty Co., Madison, Wis.; Central Mutual Casualty Co., Kansas City, Mo.; Employers Mutual Casualty Co., Des Moines, Ia.; Employers Mutual Liability Insurance Co., Wausau, Wis.; Exchange Mutual Indemnity Insurance Co., Buffalo, N. Y.; Federal Mutual Liability Insurance Co., Boston, Mass.; Hardware Mutual Casualty Co., Stevens Point, Wis.; Interboro Mutual Indemnity Insurance Co., New York City; Jamestown Mutual Insurance Co., Jamestown, N. Y.; Liberty Mutual Insurance Co., Boston, Mass.; Lumbermens Mutual Casualty Co., Chicago, Ill.; (American) Lumbermens Mutual Casualty Co. of Illinois, New York City; Merchants Mutual Casualty Co., Buffalo, N. Y.; Michigan Mutual Liability Co., Detroit, Mich.; Mutual Casualty Insurance Co., New York City; Texas Employers Insurance Association, Dallas, Texas; U. S. Mutual Liability Insurance Co., Quincy, Mass.; Utica Mutual Insurance Co., Utica, N. Y.

When writing to NATIONAL ASSOCIATION OF MUTUAL CASUALTY COMPANIES please mention Nation's Business



Fans

FOR PULLETS, POTENTATES AND PÆANS

IN GOING through our factory today you will see more kinds of electric fans than you probably knew existed. Fans in gangs of seven for controlling the temperature in giant brooders in which 100,000 chicks can be matured to plump frying pan size *at one time* with twice the speed of Nature! Enormous ceiling fans, five feet across, for the sweltering palaces of oriental potentates. Blower fans, the lungs of mighty organs that give voice to pæans of glorious music. Tiny fans for keeping your car warm in winter—decorative new style fans to harmonize with modern homes. Fans are a fine art here at Robbins & Myers. We have been building them these thirty years for every purpose under the sun that requires a draft of air. Indeed, you can not stump us by asking for a fan that blows both hot and cold, for we even build them to do that!

If you have a problem in electrical-motored machinery, come to Robbins & Myers. We offer you the facilities of a completely modern plant, and the experience of 32 years' precision manufacture in designing, building and applying electric motors, generators, fans, and electrical appliances

Robbins & Myers, Inc.

Springfield, Ohio

Brantford, Ontario

1878



1930

MOTORS, FANS, HAND AND ELECTRIC HOISTS AND CRANES

firm as steel; yet, to accomplish anything her method must be sufficiently flexible to "sell the idea" to her entire organization. Only when she is backed by the organization, all working together in complete accord and unity of purpose, can the best results be obtained.

The profession of fashion for women is now so standardized that a definite list of requirements actually exists. If the stylist knows her business, certain fundamentals are perfectly clear and her knowledge of these can easily be determined.

The first question a manufacturer should ask any woman fashion adviser is:

"What can I do to my line to increase my sales?"

It makes no difference whether he manufactures kitchenware, beauty products, wearing apparel, home furnishings or garden tools. If the stylist is sound, this question will bring a deluge of inquiries from her about his business before she would dream of offering an opinion or of making any suggestions.

"The woman's viewpoint" has come to stay. It must form an integral part of every phase of merchandising in the future. As an influence it will tend to cut the waste in distribution, I believe, cutting out duplication.

Many, many more women will come into business—eventually to positions of importance—because they have this definite quality to sell.

Viewpoint of feminine buyers

A LARGE percentage of our national money is spent by women and the merchant's wares are offered in terms intended to attract her. It is logical and important to obtain a feminine viewpoint at the very inception of the merchandising process, thus giving assurance that the wares to be created with the woman purchaser in mind will appeal to her.

The woman stylist for the manufacturer does much to solve the problem. It is essential that the manufacturer give the same careful consideration to engaging her that he gives to mill problems and the purchase of raw materials. After putting her to work he must allow her freedom to accomplish results. If he does this and she is a competent stylist his business will show profits which will more than pay this additional operating expense. By this scientific method he can reduce many expensive wastes which have formerly been unavoidable in his business.



Let the "Y and E" Man show you the world's best value in a 4-drawer file

HERE is a filing cabinet that cuts down one of your biggest items of filing expense—the cost of floor space.

Because of its ingenious construction this file gives you more actual filing inches in every drawer—which means that you house more correspondence in each costly foot of office space.

Your "Y and E" Man wants a chance to demonstrate this cabinet

to you. Get him on the phone now, and remember that he is always glad to help you with any problem relating to office equipment or systems. He has at his call the experience of a thousand office experts—yet his advice costs you nothing. Phone for your "Y and E" Man today.

YAWMAN AND ERBE MFG. CO.

728 JAY STREET, ROCHESTER, N. Y.

Canada: The Office Specialty Mfg. Co., Ltd., Newmarket, Ont.

Export Dept., 368 Broadway, New York, N. Y., U. S. A.



J. A. SHEPHERD, "Y and E" Man in Buffalo is one of the many "Y and E" trained men who are serving business offices everywhere.

"Foremost for Fifty Years"

1880  1930



OFFICE EQUIPMENT

STEEL AND WOOD FILING CABINETS
STEEL DESKS . . . STEEL SHELVING
SAFES . . . OFFICE SYSTEMS AND SUPPLIES
BANK AND LIBRARY EQUIPMENT

When calling a YAWMAN AND ERBE MFG. CO. representative please mention Nation's Business



HORYDCZAK

\$228,000 is the estimated cost of keeping this building clean in 1930

Just How Clean Is Cleanliness?

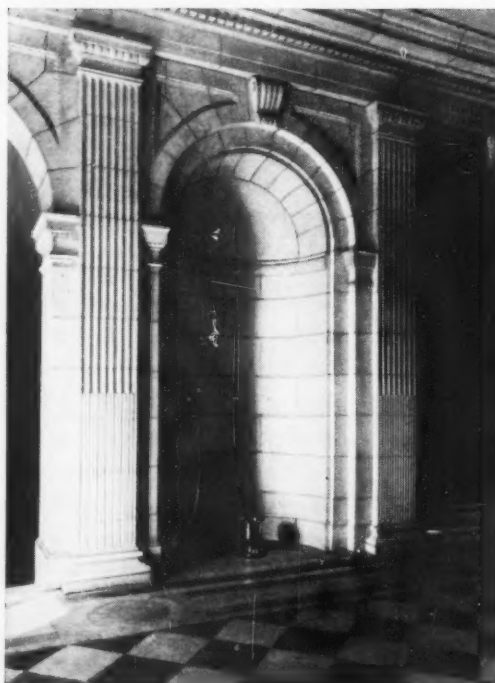
By JAMES L. WRIGHT

Washington Correspondent, Buffalo Evening News

"SONS of Wild Jackasses" are entitled to a clean corral.

It was Senator George Higgins Moses, of New Hampshire, using the hot iron of his sarcasm, who branded the insurgent Republicans of the West with that name at a New England banquet, only to appear before the Senate Appropriations Committee a few weeks later to argue that there is nothing too good for them and to request that he be voted a deficiency item of \$62,000 for house cleaning and supplies for the Senate Office Building. In that structure, across the street from the Capitol, the 96 senators, including the "Sons of Wild Jackasses," have their offices.

Senator Moses stepped beneath the crystal candelabra of the ornate Capitol committee room and made his argument to his colleagues, seated at a long mahogany table.



A glimpse of the ornate interior which increases cleaning costs in the building

"I do not know of an office building anywhere of the type of the Senate Office Building; certainly I know of no office building anywhere that is used by people of the standing and type of senators," argued Senator Moses, who explained that when he became chairman of the Rules Committee he became *ipso facto* chairman of the subcommittee in charge of the Senate Office Building. "It has always been my opinion, and I have repeatedly said it in this Committee, that any money spent for the comfort and convenience of senators is well spent."

Cleaned by hand

THEN Senator Moses warmed to his subject. He told the senators how he was having the marble floors in their offices scrubbed every day by women on their hands and knees, instead of mopped up with dirty mops; how their

YOUR INCOMING MAIL



tells the story of
Addressograph
versatility ~ ~ ~

YOUR morning mail tells how Addressographs will reduce expense in your business, will speed work, will eliminate errors, will increase sales, will increase profits.

Notice how many business forms sent to you are written on Addressographs — statements from the stores you patronize, gas bills, telephone bills, insurance premium notices, dividend checks, shipping tags, invoices — even completed letters. Modern business no longer imprints such forms by old-fashioned *hand* methods. The *machine* precision of Addressographs is much faster, far more economical, infinitely more accurate.

Addressographs are not merely addressing machines. They will handle an amazing number of forms used in your business — payroll sheets, production forms, time clock cards, ledger pages, route sheets, inventory forms, sales letters, envelopes, post cards, and dozens of others.

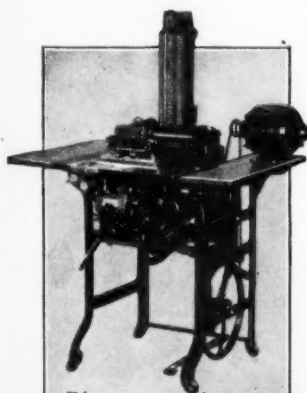
Wherever names or data must be written there is need for Addressograph speed, accuracy and economy. The Addressograph representative in your locality will gladly give you full information without obligation.

Sales and service agencies in the principal cities of the world

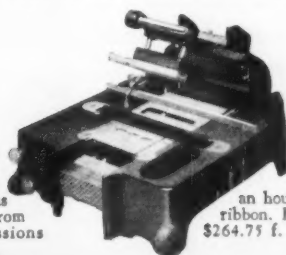
ADDRESSOGRAPH COMPANY

General Offices: 901 W. VAN BUREN STREET, CHICAGO, U. S. A.
Canadian General Offices: Addressograph Co., Ltd., 30 Front Street, W.,
Toronto, Ontario.

European General Offices: Addressograph Ltd., London, England.
Factories: Chicago, Toronto, London, Berlin.



Electric and automatic Addressographs — print thru a ribbon — speeds from 2,000 to 12,000 impressions an hour. Electric machines \$295 to \$785 — automatic machines \$595 to \$12,750 f. o. b. Chicago.



Small Addressographs operate at speeds from 500 to 1800 impressions

© 1930 Addressograph Co.

an hour — print thru a ribbon. Prices from \$20 to \$264.75 f. o. b. Chicago.



Class \$200 Dupli-graph produces 300 personalized letters an hour with name and address, salutation, body of letter and date. Price \$275 to \$350, other duplicating machines \$57.50 to \$2,025, f. o. b. Chicago.

Addressograph

TRADE MARK

PRINTS FROM TYPE

offices had been rid of cockroaches; how their rugs had been cleaned, and the windows washed, but his colleagues engaged in an epidemic of fault-finding.

"This is what strikes me," said Senator Wesley L. Jones, of Washington, Republican chairman of the Senate Appropriations Committee. "The appropriation for the maintenance of the Senate Office Building for 1929 was \$98,254, and the estimate for 1930 is \$228,000, more than double."

"That building has never been cleaned from the time it was first occupied until the present," declared Senator Moses. "The building has been cleaned by colored men, who used dirty mops to mop up the floors. Now you

care of the building, and the best care they can get."

"Out of the total appropriation of \$95,000 which had been made for the current year," said Senator Moses, "we found ourselves immediately confronted with the necessity of taking \$7,000, because of a misapprehension regarding the item of painting. We thought that there was a separate item for that but it did not appear.

Fans were old and noisy

"WE FOUND, during the summer session, that the fans in the building had to be replaced. They had been working there ever since 1896, and they were all in bad shape. They were so noisy that

the old practice, when the floors were mopped up with dirty mops, and never scoured, when no office was ever dusted, when the laundering of the covers for the chairs and pillows that are on the couches was not done."

"The House Office building," argued Senator Jones, "houses 435 representatives, and we have only 96 senators, but it costs them only \$90,000 a year for their building."

"Yes," agreed Senator Moses, "but the House Office Building does not have marble and all the expensive finish to take care of that we have. Every senator has a marble floor."

Senator Moses admitted that he had increased the janitor force for the Senate Office Building by 85 for the house cleaning and to make everything spic and span, but he predicted that 40 of these additional employees will be permanently retained, with the result that the cost of maintaining the Senate Office Building in the future will be \$150,000 annually, instead of less than \$100,000 as in the past. Senator Jones wanted to know why the char women always traveled "in pairs" in the corridors of the building, and Senator Moses replied that there are two to each corridor.

"I will say," conceded



HORYDCZAK

Every senatorial office has a marble floor although one Senator complained that cockroaches ate his books

cannot keep marble clean that way. It has to be scrubbed, so we bought a scrubbing machine, and we also put women in there, who will get down on their knees and use brushes on the senators' offices.

"If any one is to be blamed for this expenditure, I am the person. I told the superintendent to go ahead and do it, and I would take my chances of getting the money by a deficiency appropriation. If I cannot get it, I suppose there may be some litigation by which I may be compelled to get it, somehow; but I have gone ahead with it on the theory that the senators are entitled to the best

whenever a senator turned on a fan in his office, he was compelled to go outside. We were compelled to spend \$4,000 for that.

"We had to buy equipment for scrubbing the building. That cost about \$2,000 more.

"The question that confronts this committee and the Senate is whether the senators want the building kept up as it should be or whether they want to go back to



Only women with scrub brushes can keep corridors properly spotless, says Senator Moses

Once again, we assist an industry in securing a new *Sales Appeal* ~

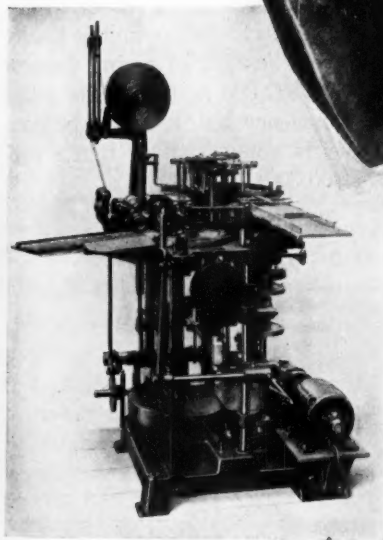


ONE of the outstanding developments in the cigar industry is the increasing use of Cellophane wrapping. And recent economies of machine production have a great deal to do with this trend.

A cigar wrapped in Cellophane has decided sales advantages. This wrapping not only *keeps the tobacco fresh*, but enables the buyer to *see the product*.

Consequently, cigar manufacturers quickly adopted this improvement as soon as they could secure a method of wrapping which would come within their cost limits.

The machine which we recently introduced answers their requirements perfectly. It wraps 35,000 cigars a day, and can be run in conjunction with the banding machines, thus making no increase in labor necessary. Because it uses Cellophane in rolls, it makes large savings in wrapping material costs. In a market where the selling price is a real factor, these savings are important. More than one size of cigar can be wrapped on a single machine—an advantage to those manufacturers whose production on any single size does not run into large volume.



This is but one example of how we assist manufacturers to secure for their products the *sales advantages* of modern forms of wrapping, plus the *economies* of improved machine production. When seeking better and more economical methods of packaging old products, or a way to wrap a new product, avail yourself of our service. Get in touch with our nearest office.

PACKAGE MACHINERY COMPANY, *Springfield, Massachusetts*
 New York Chicago Los Angeles
 London: Baker Perkins, Ltd.



PACKAGE MACHINERY COMPANY

Over 150 Million Packages per day are wrapped on our Machines

If "elbow grease" is good enough for this



Why not here too?

Hand scrubbing and polishing, too, are as needless as cranking a car by hand. At a touch of the finger tip, electricity will spin the brushes—three to eight of them—faster than any human scrubber can hope to. The FINNELL Electric Polisher-Scrubber reduces the time of floor maintenance by as much as one-half. It obtains results the hand scrubber can only envy. It sets an example of service and efficiency to patrons, tenants and employers.

Write for booklet—stating whether interested in the models for business or home use. Address FINNELL SYSTEM, INC., 407 East Street, Elkhart, Indiana, or 130 Sparks Street, Ottawa, Canada. Branches in London and Stockholm.

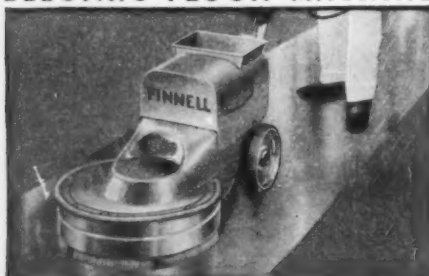


8 SIZES
enabling selection to fit your needs. For factories, stores, schools, hospitals, all business buildings or institutions. A household model, too. Refinishes, waxes, polishes and scrubs home floors.

IT WAXES
IT POLISHES
IT SCRUBS

FINNELL

ELECTRIC FLOOR MACHINE



When writing please mention Nation's Business

Senator Jones, "that I am not complaining about my rooms. They are no different from what they were last year."

"They must be," responded Senator Moses with wounded pride.

"I cannot see it," insisted Senator Jones. "There is no indication but what they are kept as they were last year, about the same as they are now."

"I can assert that that cannot be true," countered the New Hampshire Senator.

"What I say is true. I do not say there is not a difference. I do not say that there is not more work on them, but I cannot see it."

Senatorial roaches chased out

"THERE is a great difference. For instance, there are no cockroaches in the toilets in the senators' offices now."

"I do not remember of ever seeing a cockroach."

"The building was infested with them, until we found the source of it, down below, and closed it up."

"They were eating the bindings on the books in my office," interposed Senator Henry W. Keyes, of New Hampshire.

"I wanted to ask about these so-called guards, who sit near the entrance ways," said Senator Lawrence C. Phipps, of Colorado.

"They are the Capitol police," responded Senator Moses.

"Why are those people supposed to sit

there and pay no attention whatever to people coming into the building? They do not stop anybody. They may be reading a paper or a book, and they never look up. Another thing is, you may come in and say 'good morning' to the man sitting there and he does not look up and say 'good morning' to you."

"Here is a thing that in a way is rather significant," said Senator Jones. "Possibly in view of what may go on it is significant. I notice that there is a man polishing the brass on the door where I enter the Senate every morning. Why does that metal have to be polished every morning?"

"Because it cannot be kept bright otherwise. Those doors are being fingered by hundreds of people every day," asserted Senator Moses.

"No, they are not fingered at all," contradicted Senator Jones.

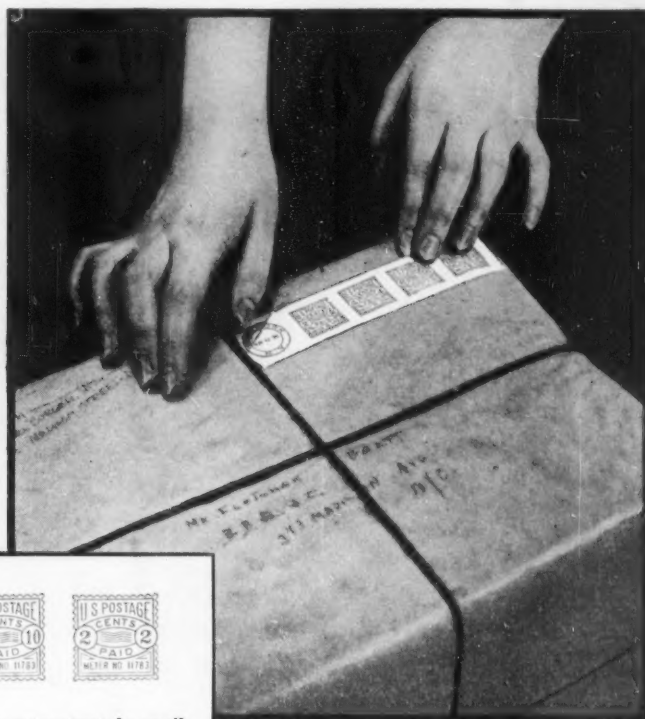
"Now, Mr. Chairman, if you think the Senate does not want those things done, they have only to say so and they will not be done. Another thing, the Senate Office Building is maintained 24 hours a day and has to be. Many senators are there late at night. You must remember that this is a continuously operated building. It is not a building that shuts down when the whistle blows. The whistle never blows for us."

The Appropriations Committee finally decided that instead of giving Senator Moses the \$62,000 additional he asked in the deficiency bill, it would be conservative. It voted to allow him a niggardly \$60,000.



HORYDCZAK

Senators wanted to know why it should take two charwomen to clean one corridor



New multi-denomination meter stamp for small letter mailings; for bulky first-class mail and parcel post. Can be used for any amount of postage.

ANNOUNCING *two new government extensions to* METERED MAIL

NEW Post Office rulings encourage modern business, large or small, to eliminate entirely the use of adhesive postage stamps . . . to gain complete advantage of Metered Mail . . . the faster, safer, more distinctive method of mail dispatch.

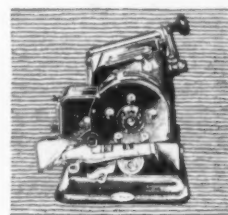
So that more business firms may benefit by the privilege of *Metered Mail*, the U. S. Post Office has ruled that it is no longer necessary to take first-class *Metered Mail* directly to the Post Office. As many as 300 pieces at a time may be deposited in a designated street collection box convenient to the mailer. Nor is it necessary to have any specified amount of fourth-class matter (Parcel Post) in order to use the *meter stamp*. All miscellaneous fourth-class mail, regardless of number or sizes of pieces, may now be metered.

These two important rulings mean

that you can have the distinguished mark of *Metered Mail* on *all* your mail. They mean that you cannot afford to overlook the *Metered Mail* system as the practical, more economical and speedier method of mail dispatch.

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The Pitney-Bowes range of *Metered Mail* equipment provides a suitable *Postage Meter* for every mailer . . . large or small. And the personnel of The Postage Meter Company is thoroughly trained



New Model H, multi-denomination — for any business. Prints any postage. Seals as it prints. Audits postage account. Everything done in one operation.

to analyze your mailing requirements.

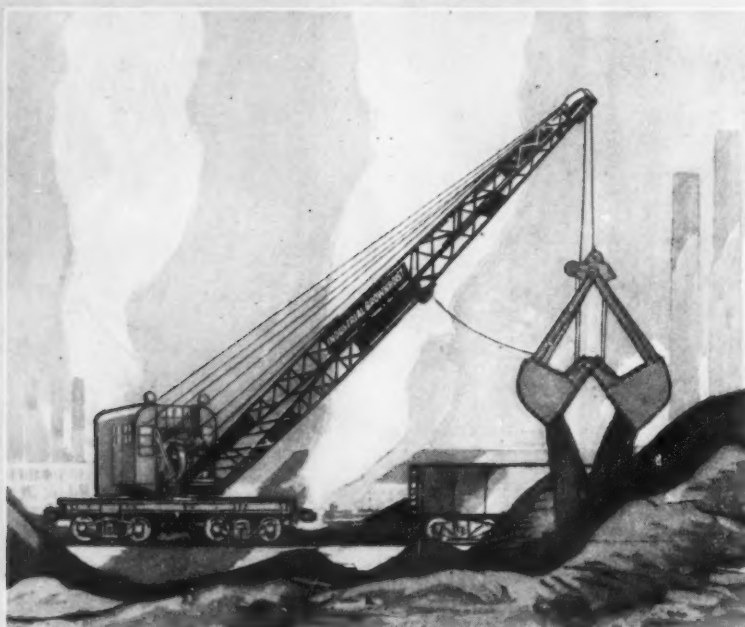
Let us send you a copy of the Official Postal Bulletin announcing and explaining these two new important changes and the complete story of *Metered Mail*. Phone our nearest branch or write direct to our main office. The Postage Meter Company, sole distributors of Pitney-Bowes Mailing Equipment, 933 Pacific Street, Stamford, Conn. Branches in 25 cities throughout the country.

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Several Ways to Kill a Banquet

(Continued from page 22)

saw that the banquet was butchered long before the butchery was to begin.

The toastmaster arose with a huge manuscript before him. He had been inspired by his selection to the place. A million things had occurred to him that needed to be said at that dinner. The fact that some of the speakers might have planned to say some of them never phased him. He made a fine speech. It took half an hour. Then in a few thousand well-chosen words, he introduced a speaker who really needed to say little after that.

But he had prepared a speech and he read it. Then the toastmaster thanked him extensively and voiced several thoughts that had occurred to him while the speaker was relieving his surcharged system of the prepared speech. Then another introduction. Thus the evening wore on—wore on everybody until they went home or went to sleep.

The poorest possible way to select a toastmaster is to give the job to the man who wants it most. He is frequently a man seldom in the limelight but who craves it from afar—until he gets it.

Wrong words come naturally

I HAVE sat beside many such a trembling and miserable one. He would call me Jillian to start with. I would gently but firmly correct him. He would repeat the name correctly, but when he arose paralyzed, he would, in his delirium, introduce me as Jillian. And, if there is one thing in the world above all others that would toss a spray of discord into the atmosphere or throw a large Stillson wrench into the speaker's works, this man will say it—an unerring instinct guides him.

It is just as fatal to give the toastmaster's job to an office comedian who has acquired the name of cut-up of the staff. The amateur will, in nine cases out of ten, work too long.

I recall a time when James Whitcomb Riley and I were on the same banquet program. The amateur toastmaster arose to introduce Riley. He spoke at length. He spoke at greater length, and Riley, leaning behind him, said to me: "Strick, he's a pale, gray ass."

Eventually Riley was introduced. When he had ended his remarks and the toastmaster was laboring an introduction of me, I leaned across.

"What do you mean, 'A pale, gray

Dangerous ACID SHIPMENTS NOW MADE SAFE!

by exclusive Goodrich process of vulcanizing soft Rubber to Steel

TWIN GOODRICH DEVELOPMENTS

—Acidseal Rubber
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Vulcalock Process—
insure safety
in acid transport

FOR years it has been a problem . . . how to transport corrosive acids with economy and with safety to life and property.

Few substances can resist the destructive action of strong acids. The most common substance . . . glass . . . is subject to breakage. And breakage means not only damage to equipment and goods in transit, but possible danger to life and limb.

In this case, a twin development by Goodrich provided the solution.

One of these was Acidseal Rubber. Rubber resistant to corrosive acid action.

The other . . . and possibly the most remarkable of all Goodrich developments . . . was not a product but a process. The process of vulcanizing soft, pliable rubber to steel. Making a perfect bond between two radically differing materials.

Today, countless gallons of dangerous acids are carried in tank cars lined with Acidseal Rubber by means of the Vulcalock process. All shipments are carried safely. There is nothing to break . . . no chance of spillage . . . no danger.

Safety, economy, and convenience have taken the place of risk. The cars have



MORE THAN 100 tank cars lined with Acidseal Rubber by the Vulcalock Process are now in use. These cars have

from 40% to 80% greater carrying capacity than old-style wood cars. Lining requires no attention—maintenance costs are eliminated. And in plants where acid is handled in volume, the same principle is applied equally well to storage tanks and piping systems.

Applied science enabled Goodrich to offer this dramatic solution to a vital problem. Applied science likewise brings

40% to 80% greater capacity than old-type wood cars. The first car built is still in service after 6 years of use.

solutions to other less unusual, but not less important, industrial difficulties.

Executives are invited to put their problems before Goodrich, through the Goodrich Industrial Research Committee. They may address the Chairman of this Committee, who will be glad to discuss either existing solutions or the advisability of special research in Goodrich laboratories. The B. F. Goodrich Rubber Co., Est. 1870, Akron, Ohio.

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Another **B.F. Goodrich** *Product*

Over 32,000 rubber articles, representing more than a thousand distinct rubber products—Goodrich Silvertowns • Zippers • Rubber Footwear • Drug Sundries • Soles • Heels • Hose • Belting • Packing • Molded Goods.

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...the 85 story EMPIRE STATE

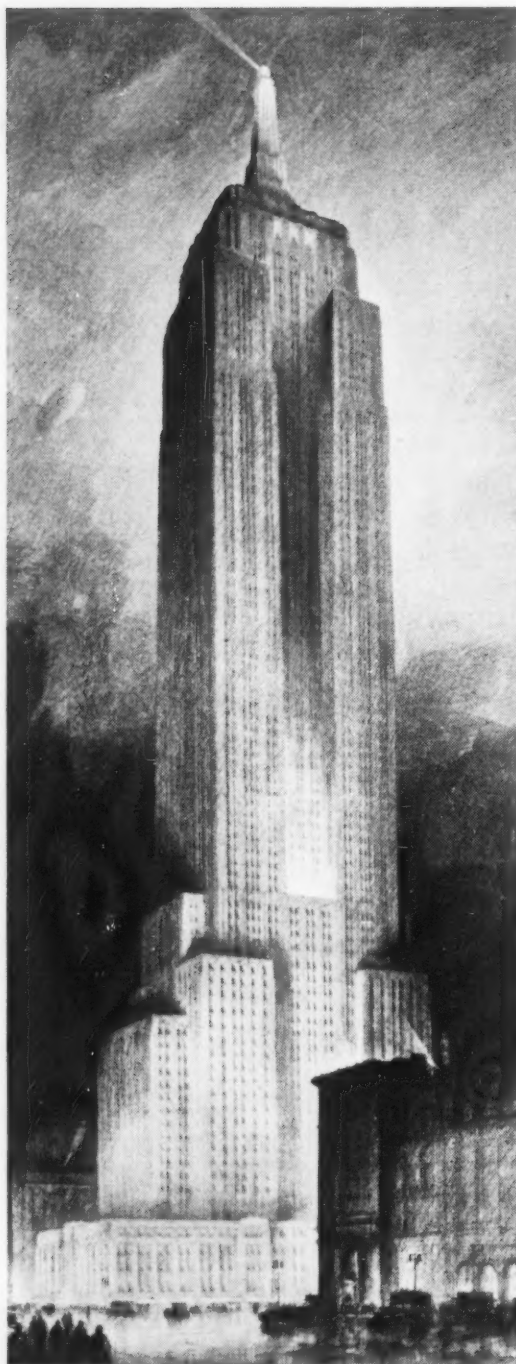
On the southwest corner of 5th Avenue and 34th Street . . . where William Waldorf and Colonel Astor lived, and where they later built the famous Waldorf-Astoria . . . here, the loftiest building yet conceived is climbing toward the sky.

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From the basements to the base of the tower, the air in this building will always be comfortable, healthful, refreshing. 52 Sturtevant Silentvane Fans will circulate 40 tons of air a minute, every minute of the day.

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Sturtevant-equipped buildings . . . a list that includes the New York Life, Western Union, 40 Wall Street and the Chrysler. Every construction enterprise, above or under ground, can be equipped with dependable Sturtevant apparatus exactly suited to the particular requirements.

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ass?" I asked in a whisper. Riley leaned over.

"One who has been an ass a l-o-n-g time."

There is another scurvy trick banquet builders play. They prevail on Whoozis, the notorious figure, to speak to insure a big attendance. They do not inquire if he can speak. They do not realize that a big name can draw a crowd but can't hold it.

Or, if it turns out that Whoozis can speak, they get Colonel Bore, an officer of the company, who has some sort of a pup to sell, to get up first and just naturally wear that crowd out before it gets a glimpse of the famous figure or hears him speak.

But not all dinners are botches. I have attended some where the toastmaster or presiding officer knew exactly what the speaker's name was, where he came from, what he represented in this world, why he was there, and not only knew these things, but knew how to say them in the fewest possible words. There are such men but they do not merely arise and speak. To say exactly the right thing in three or four short sentences that will give the speaker a running start instead of putting high hurdles in his path, takes study and study and rehearsal.

Where brevity is a virtue

ANY fool can get up and ramble for 15 minutes but a toastmaster should confine himself to a few terse, but respectful sentences and then efface himself from the scene. That is the way speakers like to be introduced and that is the way I introduced myself when, in Chicago, I had the peculiar job of toastmaster and only speaker.

When the time came for the entertainment, I arose and said:

"Gentlemen, it is not often that I, as a seasoned toastmaster, have the privilege of introducing a speaker who has my full confidence and approval; of whom I can say the most extravagantly complimentary things and know he will live up to them; a speaker on whom the vials of praise cannot be too lavishly poured. I have the extreme pleasure of introducing to you that peerless platform orator, that sidesplitting laugh-maker—" and so on.

After seating myself, I arose and said:

"Gentlemen, it is seldom indeed that I am introduced by a toastmaster of such consummate tact, and faultless judgment; a toastmaster who knows exactly what to say and how to say it; who tempers his enthusiasm with

guarded encomium and uses so skillfully the art of understatement. I am indeed glad he did not rise to fulsome heights in introducing me, but modestly stuck to facts and let the compliments be implied by his intelligent hearers."

Naturally all speakers cannot introduce themselves but there is no reason at all why all toastmasters cannot introduce speakers as they hope to be introduced. Giving banquets is not a lost art, as witness the long line of notable dinners given by the Gridiron Club in Washington which runs on a tight and dependable schedule—through rehearsal; and the annual Automobile Chamber of Commerce dinner in New York—you could set your watch by the beginning or the end of any stunt or speech as Al Reeves runs it.

Nor does the entire responsibility rest with the committee or the speakers. Part of it belongs to the guests. Of course any banquet in the course of which a sober guest gets up to go out and ramble around the cloakroom or corridor is a failure but those guests who are not sober should expect to be excluded.

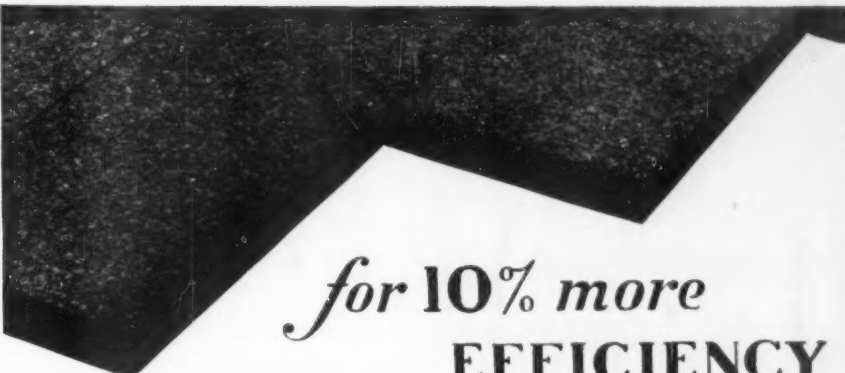
Two jobs that don't agree

I HOLD that a man, on a banquet night, if addicted to both customs, ought to do one of two things—he should get drunk or go to the banquet. He ought not to do both in the same evening. A banquet certainly does interrupt the even tenor of a job of serious drinking, while an earnest debauch just as certainly plays havoc with a banquet.

A banquet ought to begin around seven o'clock. The eating should require an hour. The toastmaster should be on his feet at eight and no service should be conducted—even the removal of tableware—after that moment. The entertainment—music can be going on through the meal—should begin at once with a brief—meaning *brief*—introduction by the toastmaster. If there is more than one speaker, the singer, if any, should give a short selection. If encored, he should give a shorter one. The serious speaker should be snappily but courteously presented, then whatever there is in the way of a lighter address, to let the banqueters go home happy. A banquet beginning at seven should end by 9:30, by ten at the latest. And every minute of it should be interesting.

Lately, I attended such a banquet. I was an innocent bystander so I speak without prejudice.

The two speakers were persons of national importance. I wondered if they would gum up the works by dividing



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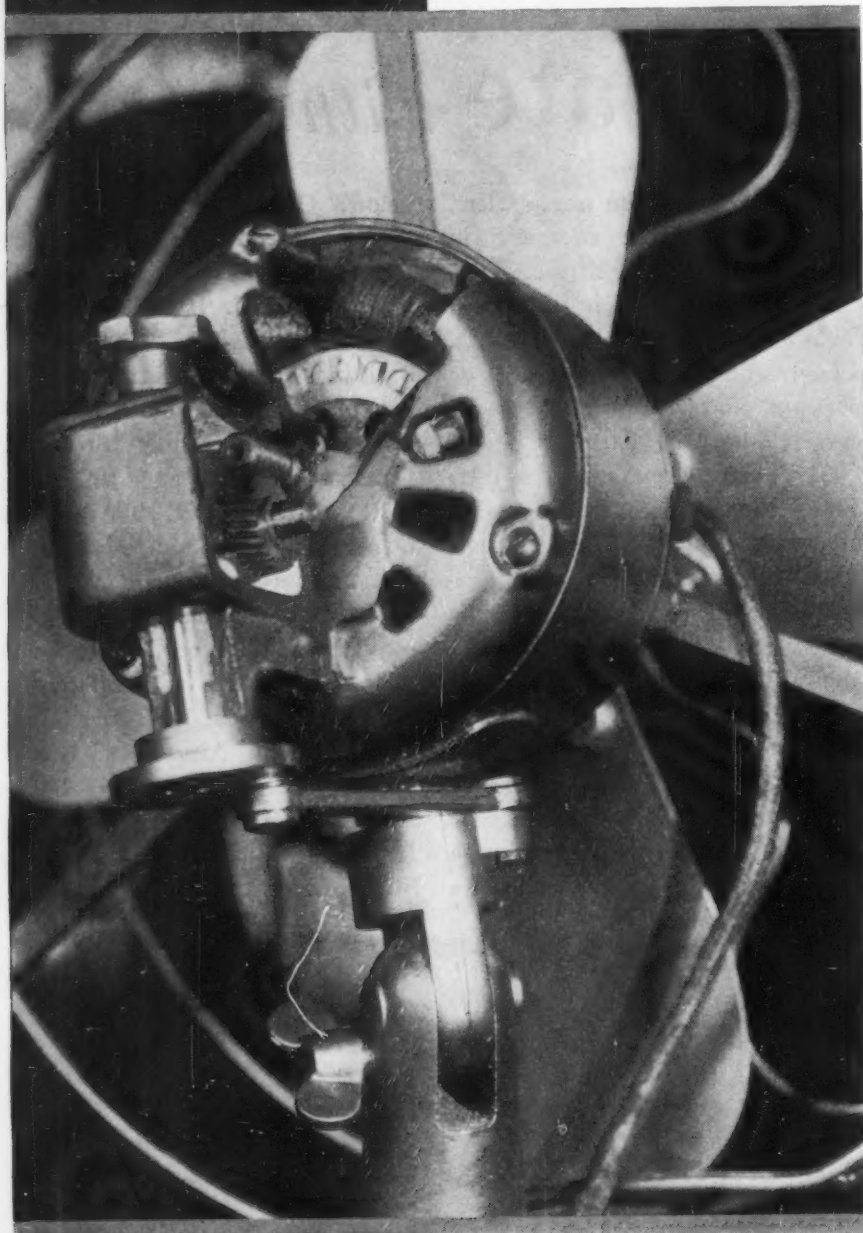
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For the roofs of all buildings

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Think how much more and better work you do when hot sultry weather is relieved by a refreshing cool breeze. The work of your organization will be improved wherever a Wagner Fan pushes away the enervating heat. At home, give the family the fans they need... one is not enough. The cut-away section indicates the superior construction of Wagner Fans... it pays dividends.



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the time disproportionately or refusing to divide it at all.

The dinner began at seven—schedule time. The chairman introduced the toastmaster by saying:

"We have as our toastmaster this evening, gentlemen, a man whom you know and who is your friend. I shall not introduce your friend to you or you, his friends, to him. I shall merely present him and turn the gavel over to his capable hands—Mr. Soandso."

Mr. Soandso rose, took the gavel, bowed to the chairman, greeted the guests and, in about five sentences, each courteously clarifying, presented the first speaker, getting his name and his position in life exactly right.

This speaker, beginning his speech at 8:15, told these unwearied guests he was glad to be there, then delivered in 20 minutes his address which he did not make too technical or heavy.

The toastmaster then rose, complimented the speaker, congratulated the guests on having heard such a message. Then he introduced the next speaker, briefly and skillfully describing him in an unembarrassing way. This took four minutes.

The final speaker talked to a still-awake audience for about 25 minutes, doing his level best under the best possible circumstances.

At a few minutes after nine the banquet was ended and everybody was remarking what a fine affair it had been instead of beefing because it had dragged on so late.

That was as it should be. Banquets should be happy, from the lively beginning to the not-too-long-deferred end. They should not be instructive, except entertainingly. They are primarily to foster good will and friendly enthusiasm. They are not night schools or business conferences.

The American Fair

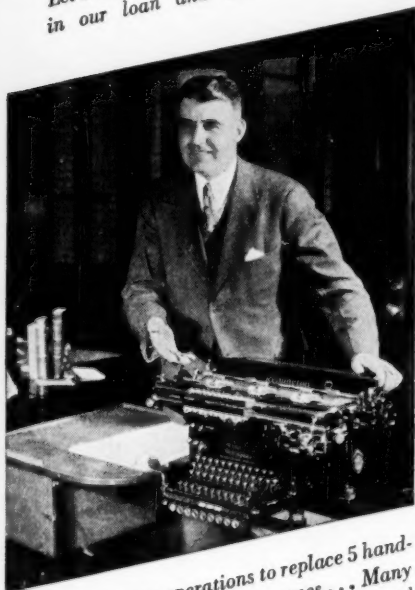
A "new and unique medium of business for industry of all types throughout the United States" is planned in the American Fair, which will be inaugurated at Atlantic City, N. J., July 17-August 27.

The Fair, which is planned to be held annually, will be conducted by the City of Atlantic City and will be staged in the \$15,000,000 Atlantic City Auditorium. A number of novel features have been planned for the event, which has been termed the first annually recurring national business and industrial pageant in America.

ALL OTHER BUSINESS MEN



4. "See here," he said to the Remington Rand man that afternoon. "I have a hunch. Let's take a look at the records we keep in our loan and discount department."



10. Two machine operations to replace 5 hand-and-mental-arithmetic processes... Many hours saved... And automatic mechanical proof of the correctness of all entries.



5. So they spread out on a table 5 handwritten or typewritten records. The Register. Maturity Tickler. Customer's Advice. Customer's Notification of Due Date. Liability Ledger.



11. So the Comptroller wrote to the President that afternoon: "Here's a thrift suggestion with a thrill in it that would warm the heart of a kilted Scotchman."



6. "You're right," said the Remington Rand man. "Too many separate operations. We can combine them all in two machine operations with far greater proof of accuracy."



12. And the President not only ordered the machine but gave the Remington Rand man the "freedom of the bank" to make suggestions for Rem-Randizing every department.

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He will tell you impartially what machines, if any, will cut your office costs and give you better figure control. Remington Rand Business Service Inc., Buffalo, N. Y. Sales offices in all principal cities.

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The Skid's Place in Distribution

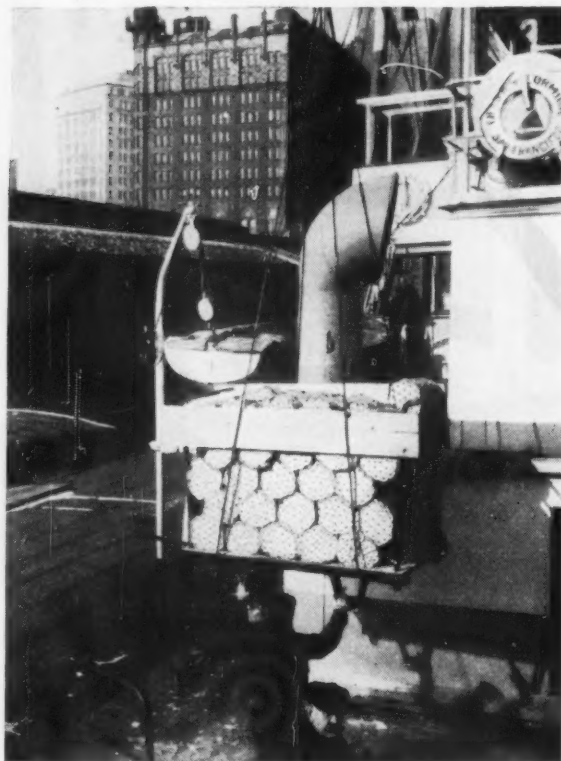
By R. L. LOCKWOOD

Division of Simplified Practices, Department of Commerce

THE skid, that simple wooden platform on which are carried such a vast variety of the products of modern industry, has come to occupy a dominant place in the transportation picture within the past few years. On the skid's willing back goods in endless variety are whisked about by lift trucks—from factory to freight car, freight car to warehouse, warehouse to store, and to all the other places where the paths from producers to consumers lead. Carrying its load of from a few to hundreds of pieces, it pursues its modest way through the arteries of trade, saving countless hours and dollars by obviating the necessity of individual handling of each item.

But an even larger and more important rôle is being developed for the skid platform than it has previously occupied, a rôle which has been created largely as a result of a changed conception of the skid and its functions on the part of shippers. In this new rôle the skid is visualized as much more than a convenient packing box, to be made or bought by each shipper to carry his own goods. More and more, the skid platform is being looked upon as a distinct transportation unit, and as such its status is more nearly that of a freight car than of a packing case.

This changed conception of the skid brings with it some new and vital considerations for the shipper who is a user or a potential user of skids. Why, for instance, if the skid is considered as a distinct transportation unit, should the individual shipper buy skids for his



The skid simplifies the transfer of a shipment of wall paper from train to steamer



THE SKID, a platform with which an entire shipment of goods may be moved as a unit, is capable of reducing transportation handling costs to a minimum if a method is found to take advantage of all its possibilities. Mr. Lockwood offers a suggestion as to how this may be accomplished

shipments? Certainly he doesn't buy freight cars to move his goods. He has bought those skids in the past only because there has been no other way to get them.

The shipper, of course, can afford to tie up only a minimum amount of money in these platforms, for his savings through their use are made only in the packing, handling and loading of his goods. Once the loaded skids, if

they are of the permanent sort, are on the railroad car, his investment is idle until the skids have been returned—bearing with them the return freight charges. Many large shippers whose products are physically adapted to skid shipment have hesitated to adopt the plan because of these economic difficulties, even though they recognized the possible savings in handling costs both to themselves and to their consignees. The majority of shippers who have adopted the skid, therefore, have used a cheap dunnage skid, costing perhaps \$3 or less, and nonreturnable.

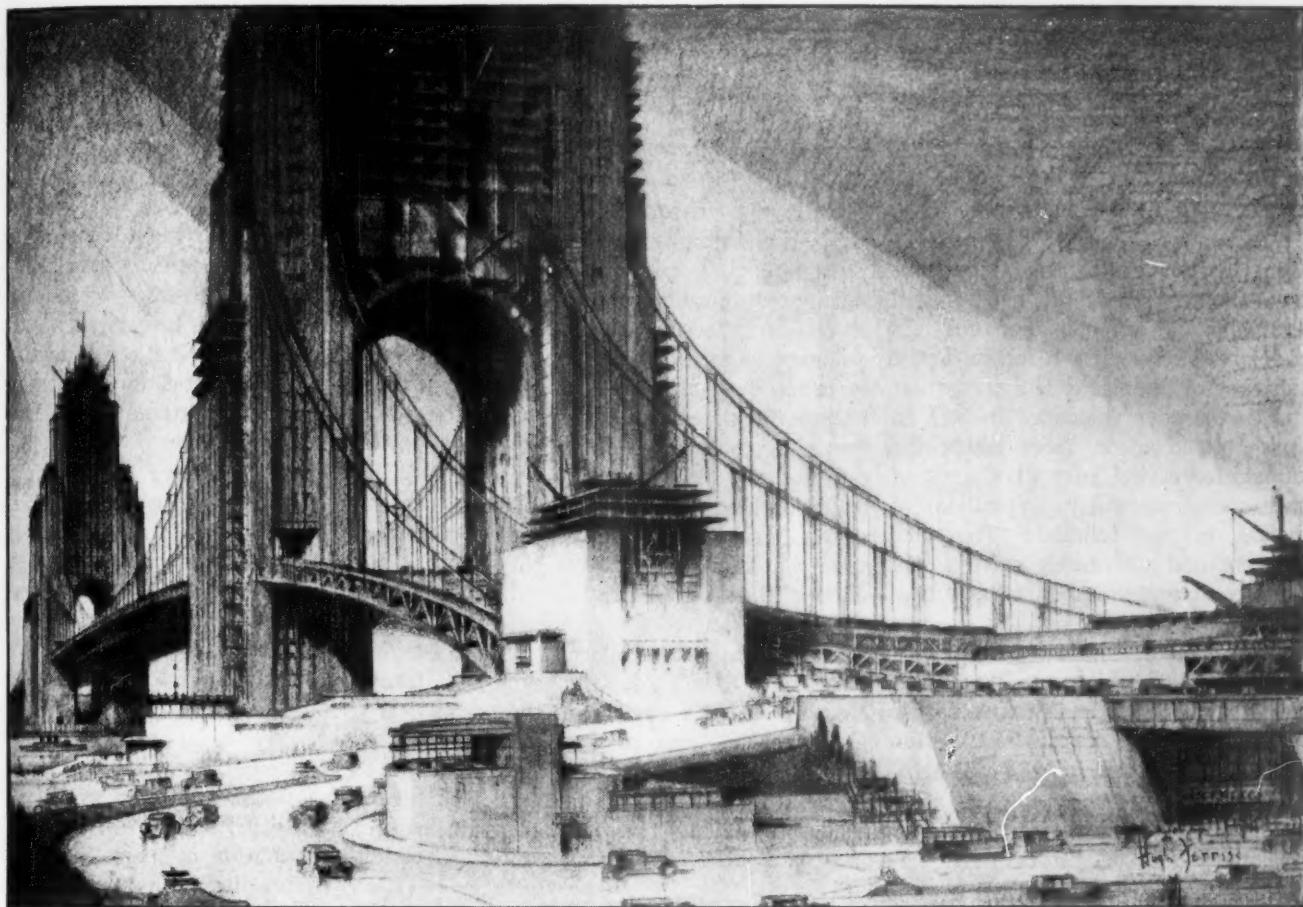
Economical to rent

CARRYING the comparison of freight car and skid further, why should not skids be distributed through a central agency, much as the Car Service Division of the American Railway Association distributes freight cars? A centralized agency, with the proper facilities and operating organization, could get a far higher percentage of service time per skid than would be possible to an individual shipper who utilizes the substantial and expensive returnable skid.

If this centralized distributing agency also owned the skids, and could on short notice supply shippers with any quantity of high quality, standardized platforms, at a cost lower than that of the cheap dunnage skids, the economics of their use would be wholly changed. Benefits would result not only for shippers, but for carriers and consignees.

Since the basic source of all savings through skid handling and shipment lies

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AN ENLARGEMENT OF THIS HUGH FERRISS RENDERING, ON SPECIAL STOCK FOR FRAMING, WILL BE MAILED WITHOUT CHARGE TO ANY ARCHITECT, ENGINEER, OR BUSINESS EXECUTIVE.

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phase of steel construction, are available on request. Please address all inquiries to 200 Madison Avenue, New York City. District offices in New York, Worcester, Philadelphia, Birmingham, Cleveland, Chicago, Milwaukee, St. Louis, Topeka, Dallas and San Francisco.

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in the fact that a five-thousand-pound skid load can be handled by one man with a lift truck as easily as that man could handle a three-hundred-pound box with a hand truck, the consignee is saved almost if not quite as much as the shipper. A freight car can be loaded to capacity with goods on skids at savings ranging from 60 to 90 per cent of the cost of loading it with goods in individual boxes. The same saving can be made by the consignee in unloading, given the standardized skid and equipment.

Carriers would derive their benefits through standardized skid shipments from the vast savings in time required for the loading and unloading of freight cars, and a consequent reduction in the idle time of those cars. If a freight car can be loaded or unloaded in half an hour instead of in three hours, the cumulative saving from thousands of such operations will mean millions of dollars to the railroads. Too, like shippers and consignees, carriers can effect economies in handling and transferring goods, operations they are usually obliged to perform in the case of less-than-carload shipments. While such freight amounts to less than three per cent of the total tonnage, it requires the use of 25 per cent of the railroads' equipment.

Often such shipments must be loaded and unloaded two or three times, a sin-

gle transfer from car to car in a freight station costing anywhere from \$1 to \$2 a ton. In addition, the goods must be counted and checked at each handling. With these goods assembled on skids, the loads can be kept intact clear through to the consignee and shipments transferred from car to car at a cost of ten to 20 cents per ton.

Large savings in breakage

SOME months ago a committee of shippers and transportation men put the possible savings to railroads through maximum utilization of skid shipments, throughout the country, at 25 million dollars a year. No authoritative estimate has been made as to the possible savings in water and highway transportation, though some individual records recently have become available.

One of these, embracing a trial of long-distance skid shipment, not only showed faster handling at lower cost but a reduction of loss and damage to zero. The particular commodity was roofing slate, a heavy but fragile product. Loaded in northern New York, the shipment traveled by truck and rail to Weehawken, by lighter to a coastwise ship in the East River, thence *via* Panama Canal to a Pacific Coast port, and was delivered to the consignees without a single slate being broken. Savings in

handling costs throughout the trip averaged 60 per cent.

The maximum nation-wide utilization of skid shipments envisaged by this committee of shippers and transportation men is impossible, of course, without interchangeable equipment, a prerequisite likewise for the establishment of a centralized agency owning and distributing skids. As a transportation unit the skid must conform to certain standard dimensions, particularly height above the floor and width between runners, so that it can be handled by any standard lift truck. An article in *NATION'S BUSINESS* (January, 1929) described the development of these standard dimensions for skids and lift trucks by interested business men working under the auspices of the Department of Commerce.

These standards have been widely accepted since, and the principal physical barrier to a general interchange of skids has thereby been removed. A general expansion of skid shipments has resulted, and this expansion has made the economic advantages of a still more general use increasingly evident.

It promises to be one of the most potent weapons for curtailing distribution costs. The packing, handling, loading and unloading of goods absorb approximately 90 per cent of the total cost of distribution in many kinds of commodities, the other ten per cent being actual freight charges. While the latter represents an economic gain—transportation creates "utility of place"—the handling costs represent no economic gain whatever. They add to the final cost of goods, but add nothing to their value. Thus every dollar of the vast savings promised by general utilization of skids is net gain, for true waste elimination is all assets; it has no liabilities.

Will handle small units

POSSIBILITIES for the greatest savings through skid shipments, it may be said here, lie in those goods where distribution involves the greatest wastes—that is those commodities which come in units of relatively small size.

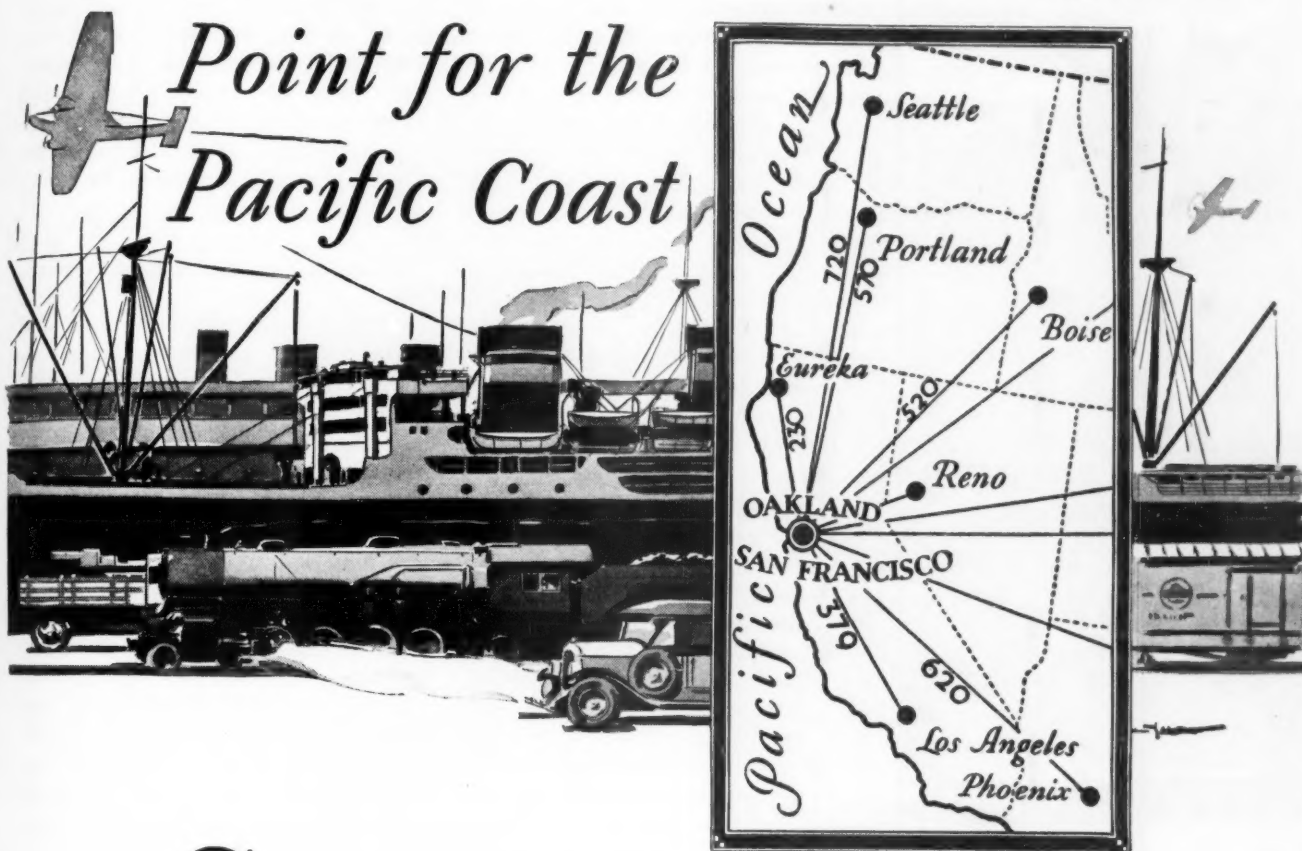
In few instances can skids be used advantageously to carry bulk materials—coal, iron ore, sand, grain and the like, which are handled with a minimum of waste anyway—but of the



Loading tile conduit is a slow and expensive process when the job is done by hand. The skid minimizes breakage and lost motion

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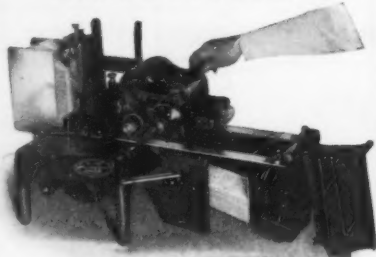
General Office, 245 Market Street, San Francisco, California

Serving 362 communities in Northern and Central California

Send for a complimentary copy of "Outstanding Features of the P. G. and E."

Ind. 3-30

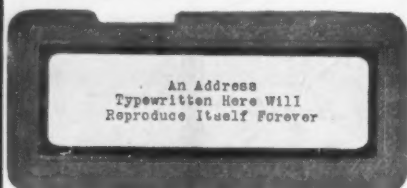
INVESTIGATE This Marvelous New DOUBLE-DUTY MACHINE!



For speedily and easily producing and directing Notices, Announcements, Bulletins and quick-action Advertisements to customers, prospects, dealers, salesmen, agents, membership-lists, etc.

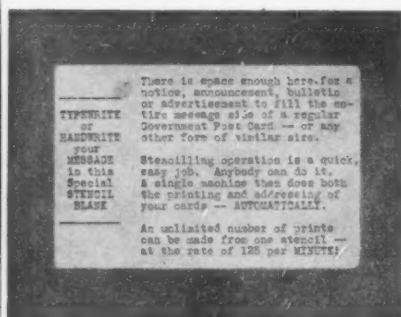
A Combination POST-CARD PRINTER and ADDRESSER

It's AUTOMATIC—yet sells at a popular price. Unlike anything ever before offered. You have seen machines for printing Post-Card messages and other machines for addressing them—but never a SINGLE machine for doing BOTH JOBS!



2 in 1

All-fibre Stencils Can be handwritten or cut on a typewriter. Above is the Address Stencil. Below is the Message Stencil. Both used in the one machine.



Machine can also be used for all kinds of envelope, circular, tag, label and wrapper addressing, bill and statement heading, etc.

**The ELLIOTT
ADDRESSING MACHINE CO.**
144 Albany St., Cambridge, Mass.

Or look up the address of our nearest Branch Office in your local Classified Telephone Directory

CLIP this COUPON

Pin it to your business letterhead, mail to the address above (or 980 St. Antoine St., Montreal, if you are in Canada) and get complete information together with

FREE BOOKS on the subject of Direct-Mail Advertising

20 million carloads of miscellaneous freight annually transported by our railroads a considerable proportion can be handled and shipped on skids to enormous advantage. Estimates of this proportion range from 15 to 30 per cent. Even were this proportion only ten per cent it would approach a total of 50 million tons—and the economy resulting from skid shipments is readily understood when it is considered that this tonnage must be handled at least twice and that someone saves from 50 cents to \$1 or more on every ton of goods that is handled on skids instead of in small units. Indeed, in the case of a number of commodities, including some packaged food products, that have to be handled a dozen times or more in the course of distribution, the maximum use of skid handling and shipment may save as much as \$6 to \$10 per ton.

Such savings, of course, eventually would find their way to the ultimate consumer.

A nation-wide skid service, aside from all its other effects, would extend into numerous industrial and commercial operations. Manufacturers expecting to ship their products on skids would organize not only their shipping departments but some of their fabricating departments to get their products on the shipping skid as early as possible. The whole field of containers promises to be studied more carefully than ever before, with a view to establishing standards of size, shape, and weight.

Producers of foods already are devoting much time to the latter subject, seeing, besides economies in handling, additional savings through expedited shipments and reduced spoilage.

The "customer unit" will be packaged in field or factory, varying greatly in size for different commodities. Multiples of that unit will form "retailer units," varying somewhat less in size. These units, in turn, will be assembled into "wholesaler units," which will probably be the shipping units. These will vary scarcely at all as to horizontal width and length, and will fit the standard freight skid.

Definite economies are in sight

THESE and other ramifications of skid shipments are constantly being explored, but the fundamentals are already established. Such shipments have been practiced long enough, and in enough different industries to establish the savings to be made and to promise even greater economies if skid distribution and skid ownership can be centralized on a national scale.

A company now being organized expects to make skid service as readily available as freight-car service, anywhere in the United States, an aim which will doubtless enlist the support of shippers, carriers, warehousemen, manufacturers of skids and lift trucks and the hosts of other business men who will benefit from such a service.



THE LUCK COMPANY, CLEVELAND

Standardization of skid sizes is important if they are to become an important unit in the transportation system

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LELAND

WHAT I'VE BEEN READING

By WILLIAM FEATHER

President, the William Feather Company, Cleveland, Printers and Publishers

WHEN do you find time to read?" is a question often asked. One who has the reading habit is inclined to retort that it's easier to find time to read than to find something worth reading.

I subscribe for 20 weekly and monthly magazines and I buy five or six books each month. Usually I feel well repaid for the time and expense that reading involves; sometimes I feel cheated.

But that is true of everything we do. Much of our social and recreational life is a disappointment. We encounter weariness at dinners and golf. We are bored with ourselves occasionally. Reading supplies me with the surest means both for improvement and escape.

Finding time for reading is quite simple, if one has a genuine liking for it. I read the morning paper at breakfast and on the way to the office. During the day I am inclined to glance through magazines that are received at my desk, discarding those that contain nothing of interest, and saving those that seem worth taking home.

I often finish the evening newspapers before I reach home. Usually I have almost an hour for reading before dinner. In this interval I am inclined to turn to magazines. I do not pretend to read everything in any magazine. The pictures in *Vanity Fair* attract me more than the text, and the same thing goes for *Fortune*. Time gets fairly close attention. I will glance at everything in it.

Five or six articles are all I care for in the *American Mercury*. I read Michael Gold and look at the drawings in the *New Masses*.

I have been reading the advertising trade magazines—*Printers' Ink*, *Adver-*



William Feather at his new modernistic desk, made for him in Paris

tising and Selling, and *Postage and The Mailbag*—for so many years that I can go through them much as I can walk through my house in the dark. I seek new angles on old subjects, and I can tell almost at a glance whether there is anything for me in an article.

Much of the current magazine reading, therefore, is accomplished before dinner. After dinner, if I am free, which occurs about three evenings a week, I usually turn to books or the more formidable monthly magazines. An evening of solid reading might begin at eight o'clock and end at ten-thirty or eleven. Such practice does not commend a man to his family, but my children have school work to do and my wife enjoys reading, too, so we get along fairly well.

Since I am not a golfer, I can look forward to Sunday for three or four hours of undisturbed reading. That, by the way, is about as long a stretch as I can stand. If I try to do more I find my attention wavering, and I get restless.

I rarely force myself to read any-

thing, merely because I think I should read it. I wait until a desire has been aroused either by a review or a comment of a friend. Forced reading is painful and of doubtful value. Samuel Butler said, "Never read anything until not to have read it has bothered you for some time."

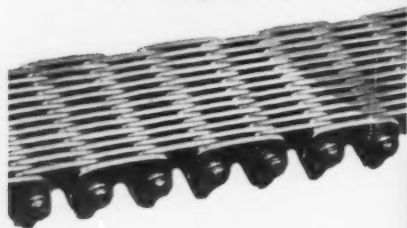
The best recommendation of a book for me is the approval of three or four friends in whose judgment I have confidence.

"That's a great book," from a friend means more to me than a full-page review.

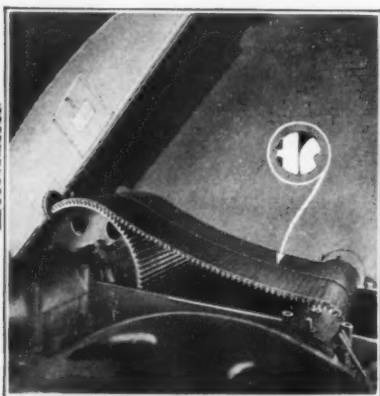
The production of books for business men increases each year. No subject is too specialized for a book. Any volume that promises a sale of a thousand copies seems to find a publisher.

This fact has its advantages and disadvantages. The reader must be wary or he will fritter away his time on inferior stuff. On the other hand, books that bore one person may be devoured by another. Whatever your job is, there are books today whose subjects cover your

If you Build or Rebuild, Rearrange, Add Capacity, or Modernize Your Plant . .



300 H. P. Morse Silent Chain
driving fan in the mine of the
U. S. Fuel Co., Benton, Ill.



Phone MORSE of course!

No matter how complicated your power transmission problems, trained Morse Power Transmission engineers can show you how to insure against production interruptions, conserve floor space, save power—show you the short cuts to efficient operation. They know how to design and install the drive best suited to your needs.

In many instances this service, with the installation of Morse Silent Chain Drives, Flexible Couplings or Speed Reducers, has speeded up operations, cut production costs and created savings far in excess of original expectations. We have reports on installations that have operated efficiently for 15 and 20 years, and on others that have saved thousands of dollars.

Morse Power Transmission Service is available in the principal centers of the country. A 'phone call, wire or letter will bring the Morse Engineer to your plant to consult with you entirely without obligation.

Write for free data file pertaining to your business.

MORSE CHAIN COMPANY
Ithaca, New York

MORSE SILENT CHAIN DRIVES

When writing to MORSE CHAIN COMPANY please mention Nation's Business

work. I advise every reader to seek such books, buy them, and read them. Why spend five years gaining experience when, by the purchase of a book, you can learn what the experience of others has been?

ONE of the strange books of this season is "Mental Radio" by Upton Sinclair, who writes chiefly of socialism and claims to be the most popular author in Russia. Sinclair has tackled nearly everything in his long career, and now has made a book from his wife's experiments with mental telepathy.

The account achieves some scientific recognition through a foreword by Prof. William McDougall of Duke University. The achievements of Mrs. Sinclair are painfully childish but undoubtedly authentic.

When Sinclair wrote me some months ago that he was undertaking this book, I told him that it would discredit him among those who still regarded him as sane. He said he would take that chance. One must admit that the development of radio has made mental telepathy seem less unreasonable.

Unlike almost all books on mystical subjects, "Mental Radio" is lucid and intelligible, and that is its chief merit.

I WILL refer to one more strange book, and will then tackle the more sober publications. "Bottom Dogs" by Edward Dahlberg is worth mentioning because of the manner of its writing. It is strictly modern, as objective as an investigation of a Juvenile Court.

This is the first novel of a young American who was born in 1900 in a charity maternity hospital in Boston and at the age of five was committed to a Catholic orphanage. Before reaching his twelfth year he became an inmate of a Jewish orphan asylum, where he remained until he was seventeen.

For five years he was a vagabond in the west. In 1922 he matriculated at the University of California and took a degree in the Department of Philosophy at Columbia University in 1925.

Thus he is now a distinguished alumnus of the Cleveland orphanage which he describes so accurately and so mercilessly in the book. Readers who enjoy good writing, even though it deals with unpleasant subjects, will like "Bottom Dogs."

A rare observation occurs in the de-

¹Mental Radio by Upton Sinclair. T. Warner Laurie, Ltd., London. 8/6.

²Bottom Dogs by Edward Dahlberg. Simon and Schuster, New York. \$2.50.

Move your plant to your MARKET

... it's cheaper than
moving your product

THE manufacturer who places his plant near raw material, but too far from his customers, is as badly off as the man who builds his boat too far from the water's edge.

When you put your plant in New York State you are close to your raw materials, and closer still to your customers. Production costs are low here. But marketing expense is even lower. In brief, you enjoy these two outstanding advantages:

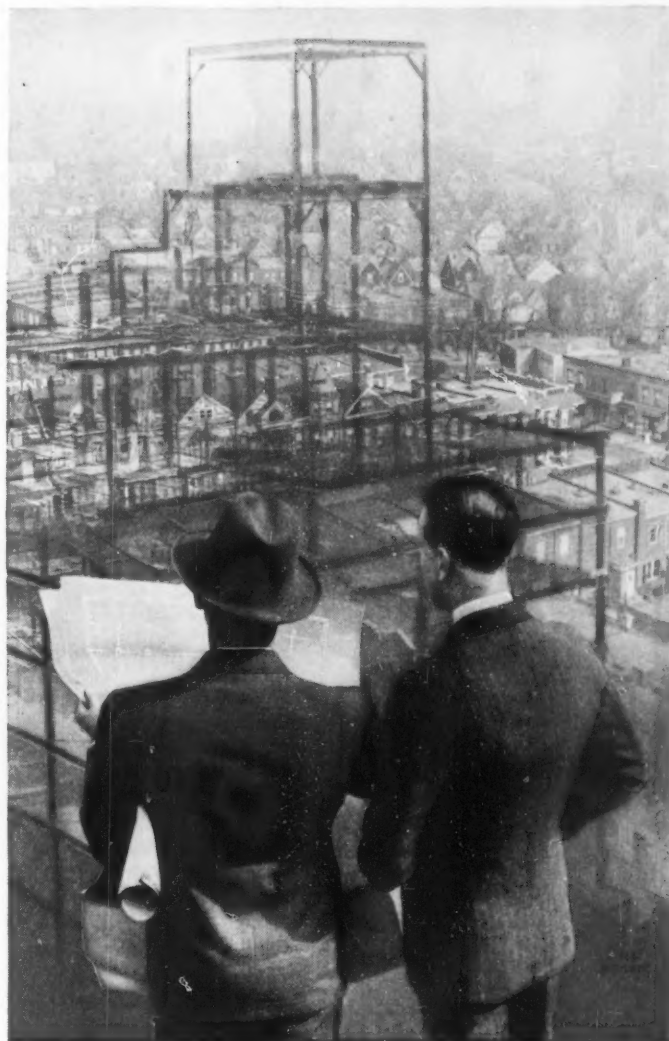
1. **Lower cost of distribution**
2. **Lower cost of electricity**

The actual figures applied to your plant will tell you just how much Niagara Hudson can save you on power. The rates are far lower than the average for the nation as a whole.

But no matter how important electricity may be in cutting your production costs, your savings in distribution will loom even larger.

New York State is the center of the world's greatest market. In its immediate area are 49% of the nation's people and 55% of the nation's wealth. 53 railroads blanket the State with 8,000 miles of track, inter-connected with 800 miles of navigable waterways and 80,000 miles of concrete roads. Nearly half the nation's imports and exports pass through New York. Almost half the exports originate in New York State itself.

Skilled labor is plentiful. Raw materials are either in the State, or can be brought here cheaply and easily. Living conditions are favorable. Capital is available in abundance.



WHEN YOU LOCATE YOUR PLANT IN NEW YORK STATE... YOU PLACE IT
CLOSE TO YOUR RAW MATERIALS, AND CLOSER STILL TO YOUR CUSTOMERS

If you as a manufacturer, are interested in cutting both sales and production costs, you should know more about New York State. Write for the new 28-page illustrated booklet—"New York, the Great Industrial State." Address the Niagara Hudson Power Corporation, Industrial Development Bureau, Albany, N. Y.

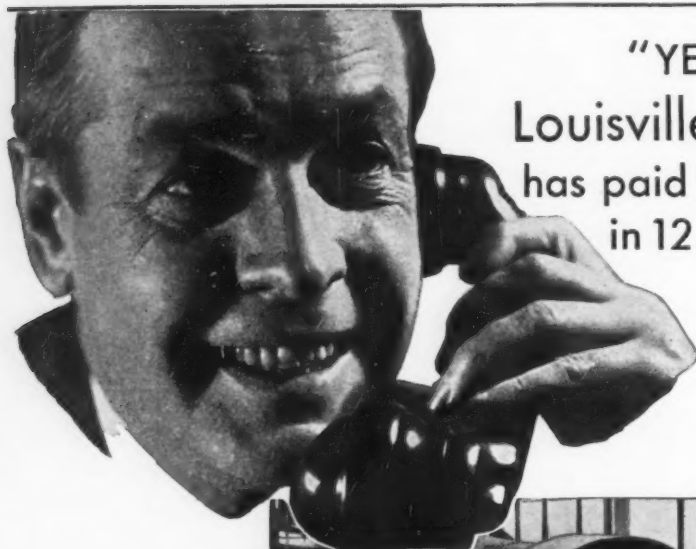
If you want the facts as they affect your business, this Bureau will furnish engineers to make an analysis for you without cost and without obligation. It will be a straight technical study of facts, entirely devoid of the usual salesmanship.

NIAGARA  HUDSON

Write for our new book, describing the industrial territory served by Niagara Hudson Power Corporation, including among others the localities listed below:

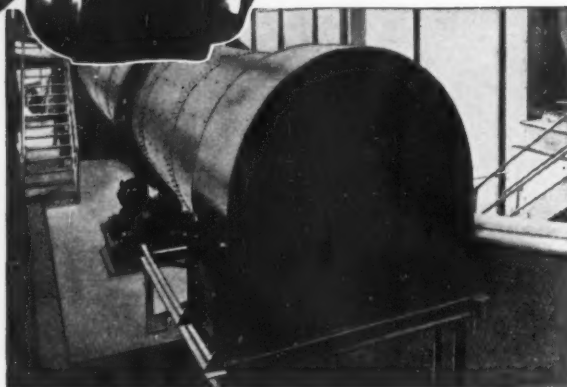
ALBANY	CANASTOTA	FAIRPORT	GREEN ISLAND	LACKAWANNA	NEWYORK MILLS	ROME	TROY
ALBION	CANTON	FALCONER	GREENWICH	LANCASTER	NIAGARA FALLS	ROTTERDAM	UTICA
AMSTERDAM	CARTHAGE	FORT EDWARD	HAMBURG	LEROF	N. TONAWANDA	ST. JOHNSVILLE	WATERFORD
ANTWERP	COBLESKILL	FORT PLAIN	HERKIMER	LITTLE FALLS	NORWOOD	SALAMANCA	WATERTOWN
BALDWINSVILLE	CORTLAND	FRANKFORT	HOMER	LOWVILLE	OGDENSBURG	SARATOGA SPRINGS	WATERVLIET
BALLSTON	COHOES	FREDONIA	HUDSON	LYONS	OLEAN	SCHENECTADY	WELLSVILLE
BATAVIA	DEPEW	GENESEO	HUDSON FALLS	MALONE	ONEIDA	SCOTIA	WESTFIELD
BOONVILLE	DOLGEVILLE	GLENS FALLS	ILION	MASSENA	OSWEGO	SKANEATELES	WHITEHALL
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When writing to NIAGARA HUDSON POWER CORPORATION please mention Nation's Business



"YES... Our
Louisville Dryer
has paid for itself
in 12 months"

"...the saving
in labor alone
is 76%"



Our thorough analysis of the drying equipment of an organic by-product plant, resulted in the installation of a Louisville Rotary Dryer, automatic in operation from feed to discharge. A reduced labor cost of 76% resulted.

But this was only one of the notable economies effected. Delivering dried material continuously, production was speeded up throughout the factory; fuel costs were reduced nearly two-thirds, and the saving in floor space was proportionately large. Yet, with all this, there was actual improvement in quality.

The higher efficiencies of Louisville equipment for drying bulk or heavy materials have supplanted obsolete processes in more than 75 industries. Why not avail yourself of our 40 years' experience in successfully solving more than 1,000 different drying problems?

An Expert Preliminary Survey Costs You Nothing

A thorough analysis of your drying operations by our engineering staff, and without cost to you, will suggest what improvements, if any, you require. The report will show in dollars and cents, advantages over your present method... proved savings that should finance installation without capital outlay. Is there any time better than now to check up on your drying costs? Complete catalog on request. Correspondence invited.

*A Louisville Dryer Never
Cost Any Buyer Anything*

5 Possibilities in Cost Reduction

- 1 Cut your fuel bill—possibly from one-third to one-half.
- 2 Cut down the number of attendants, in many instances to part time for only one.
- 3 Save 50% to 75% of valuable floor space for other purposes.
- 4 Speed up production by affording uninterrupted operation of plant, because of continuous delivery of dried material.
- 5 And—give yourself a better quality product.

LOUISVILLE
DRYING MACHINERY
COMPANY,

Incorporated

455 Baxter Avenue, Louisville, Kentucky : Cable Address—LOUDRY, Louisville, Ky.

scription of Doc, the head man at the Cleveland orphanage. Doc was rough with the older boys, and did not hesitate to hit them when they disobeyed rules, sometimes knocking them cold.

But—

"The kindergartners," writes Dahlberg, "and the kids up to the third grade thought he was God in disguise, because he had a white beard and had dandy meals in a private apartment next to the marble hall; the eighth graders, although they had a healthy respect for his wicked right, said he was human after all, because he picked his nose."

In an introduction to the book, D. H. Lawrence writes, "When we think of America, and of her huge success, we never realize how many failures have gone, and still go to build that success. It is not until you live in America, and go a little under the surface, that you begin to see how terrible and brutal is the mass of failure that nourishes the roots of the gigantic tree of dollars."

In my opinion the book does not support this thesis. Some low people stalk through this book, but none of them seem oppressed by hopelessness. Their troubles are chiefly pathological. They exist everywhere and always will.

The career of the author is a good example of how a man can rise in America from the lowest environment. Although an orphan, Dahlberg was given the benefit of a high school education at the expense of the institution of which he was an inmate. Later he went to college.

"HETTY GREEN, a woman who loved money" is a readable, well-written story of one of the shrewdest, most ruthless, and most interesting of American women.

Born with plenty of money and with an uncontrollable love of money, she multiplied her fortune 20 times in 50 years, and when she died at the age of 81, she was worth \$100,000,000.

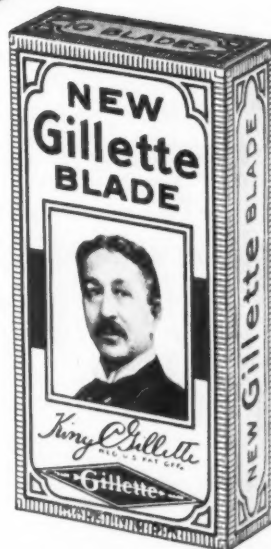
She invested safely, principally in first mortgages and bonds, spent probably less than \$40 a month, and so let compound interest make her fabulously rich. Urban real estate, acquired through foreclosure, and speculation in railroad shares, helped her principal to appreciate.

She was not a promoter, nor a constructive builder. She was strictly a money-lender. Her sole contribution to

³Hetty Green by Boyden Sparkes and Samuel Taylor Moore. Doubleday, Doran & Company, Inc. \$5.



\$1.00 for ten; 50c for five.
The New Gillette Blade
in the new green packet.



**Insist on
GENUINE**

New Gillette Blades

More shaves Better shaves

WHEN we introduced the New Gillette Blade, we were confident that it had the keenest SHAVING edge ever produced.

Public response has proved it. If you haven't yet experienced the thrill of a shave with this new blade, even in your old Gillette, stop at your dealer's today.

No other blade offers you its VALUABLE SHAVING IMPROVEMENTS.



GILLETTE SAFETY RAZOR CO.
BOSTON, U. S. A.

Resourcefulness

and the World of Undeveloped Resources

In the business world of undeveloped resources, man's own *Resourcefulness* is the most alluring and the most desirable of development.

Resourcefulness is that mental capacity which sees clearly how to do the seemingly impossible—and does it.

Modern Business demands it. Progress requires it. Notable success is pure luck without it. It discards old standards of accomplishment; exacts a double yield from the soil; opens the skies to traffic, and turns manual labor over to machines. It urges men to use their brains. Its presence commands the highest premium.

Modern Accountancy inspires and develops Resourcefulness in men. With its enlightened application of facts and figures, its Budget, its System, Method and Order, it *makes men* see the possibilities which lie in their world of undeveloped resources.

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CHICAGO	FORT WORTH	MIAMI	RICHMOND	WHEELING
CINCINNATI	GRAND RAPIDS	MILWAUKEE	ROCHESTER	WILMINGTON, DEL.
CLEVELAND	HOUSTON	MINNEAPOLIS	ST. LOUIS	WINSTON-SALEM
COLUMBUS	HUNTINGTON	NEW ORLEANS	ST. PAUL	YOUNGSTOWN
	W. VA.		SAN ANTONIO	

prosperity was that she put money at the disposal of others who took business risks. She gave nothing to charity, she dressed in rags, and she successfully evaded personal property taxes by changing her residence nightly, weekly, or monthly as the occasion demanded.

Her ambition was to accumulate money, and she was famously successful. When her husband was unsuccessful in personal speculations, she tossed him aside, but her love for his children and her dog was deep and lasting. She dominated her daughter, but indulged her son.

While she slept in a tenement, her son dozed on the deck of his luxurious yacht. She worked solely for her children, and when she died almost the entire estate was equally divided between them.

The expenditure of money was such torture to her that once in Hoboken she registered under a false name at a public dispensary, but was recognized and exposed in the newspapers. She did this at a time when her income was more than \$5,000 a day, but the embarrassment caused by the publicity she received was not sufficient to curb her habit. Her excuse for such subterfuge was that she was overcharged when her identity was known, an annoyance from which rich people are said to suffer to-day.

The panic of 1907 was anticipated by her. When a woman asked her what she thought about the Knickerbocker Trust Company, Mrs. Green exclaimed, "If you have any money in that place get it out the first thing tomorrow."

"Why?" inquired Hetty's acquaintance.

"The men in that bank are too good-looking," was the answer. "Mark my words."

Shortly thereafter the Knickerbocker closed its doors.

One day she asked Edward Hatch Jr., a department-store executive, if it was true that she looked as ragged as the newspapers made her out to be. He admitted that her appearance might be improved and called attention to her veil which, he told her, "looks like hell."

"You come to the store some morning and I'll give you one of the best veils we have in stock," he said.

The following morning she presented herself, claimed the veil, and asked to see a skirt. Mr. Hatch found one which he told her had once been priced at \$8 but could now be sold for 50 cents. She bought it eagerly and, after that day, never ceased to admire Mr. Hatch.

Mrs. Green resented clean napkins

The Safe Punch

Speediest
and Strongest!

Fingers holding papers are safe! Handle of ACCO PUNCH does not touch hand. Steel dies cut holes with only a slight pressure of fingers.

ACCO PUNCHES never rust, break or need servicing of any sort—the safest, speediest and strongest you can buy. For all standard loose leaf gauges and holes. Unconditionally guaranteed.

Write for circular, giving dealer's name

AMERICAN CLIP CO.
Long Island City, N. Y.



ACCO PUNCHES



SOLID KUMFORT

Bentwood

FOLDING CHAIRS

for Every Purpose

WRITE FOR BULLETIN

LOUIS RASTETTER & SONS CO.
1412 WALL ST., FORT WAYNE, IND.

AVOID ERRORS—Write down your

Telephone Memorandums. Use the COLYTT "Redi-Roll" Fastens on telephone stand and provides a continuous supply of paper on writing shelf for 'phone notes. Compact, leaves room for hand grip on 'phone. Black finish, nickel trim. Complete with standard \$1.00 paper roll. Only . . .

Your Stationer or Postpaid on receipt of \$1.00

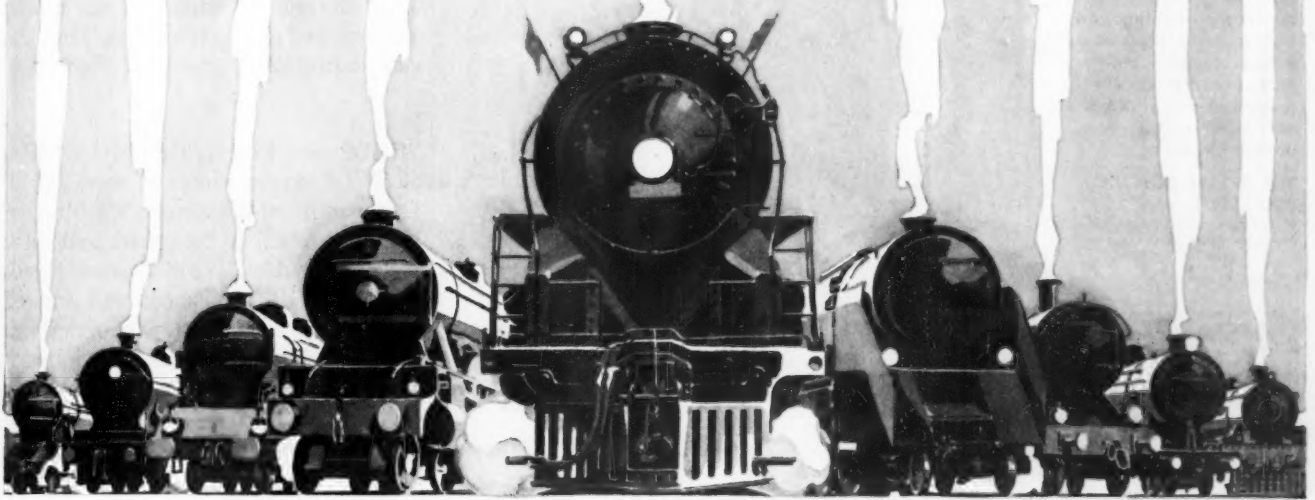
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On the railroads of the world ... including its four crack trains!

WHAT'S all this conversation on railway journal bearings about anyway? Why, **SKF** put its first Spherical Bearing into a railway journal so long ago that **SKF** had just about forgotten that this is supposed to be some sort of a super-bearing feat. Of course, it is a tough job for a bearing ... that is if it stays on the job. But tackling that kind of an assignment is everyday business for **SKF**. Why, there are more **SKF** Bearings ... many times more ... in railroad service than all the other bearings of the world combined.

It was sixteen years ago that an **SKF** Bearing went into a journal box for the first time. Since then, that first bearing has been followed by 71,999 other bearings for locomotives,

tenders, dining cars, baggage and passenger cars ... in 33 countries throughout the world.

Get this significant fact when you judge bearing performance by railroad records ... **SKF** Bearings are used on the four crack trains of the world—The Broadway Limited, The 20th Century Ltd., the Blue Train* of France and the Rheingold Express of Germany!

For, mark you this fact now. The railroads of the world find it far too expensive to buy a bearing on the basis of price ... which means that the only thing left for consideration is performance ... and that in turn means **SKF**—always. **SKF** Industries, Incorporated, 40 East 34th Street, New York, N. Y.

SKF

* The Calais-Mediterranean Express

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“THE HIGHEST PRICED BEARING IN THE WORLD”

When writing to SKF INDUSTRIES, INCORPORATED please mention Nation's Business

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WHEEL after wheel...step after step...in and out of Peelle Doors moves the caravan of industry...shuttle-like weaving the products of a nation. The Peelle roster of installations is a Blue Book of industry. The varied fields, Peelle Doors serve, exhibit a cross-section of almost every manufacturing activity.

It has long been established that Peelle Doors shorten distance, conserve time and energy...turn vertical shaftways into "through traffic" highways. Today, more than ever, they are an accepted part of industry's program of progress. Electrified...by automatically opening and closing at the touch of a button...greater maintenance economies are effected and efficiency increased. Consult our engineers, or write for catalog.

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Boston, Chicago, Cleveland, Philadelphia,
Atlanta, and 30 other cities - In Canada,
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Home-Study Business Training

Your opportunity will never be bigger than your preparation. Prepare now and reap the rewards of early success. Free 64-Page Books Tell How. Write NOW for book you want, or mail coupon with your name, present position and address in margin today.

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The Good Old Days Were Not So Good

★ In the August *Nation's Business*, Samuel Hopkins Adams tells how business and legislation were influenced by pioneer banks and bankers in the early days of our republic.

because she thought they were wasteful. She would never wear corsets, asserting they were uncomfortable.

The authors do not spare Mrs. Green. They suggest short-comings that border on fraud and inhumanity, but despite all this there emerges from the book a rather attractive personality. She had devoted friends and neighbors. She asked no concessions from the world and made no concessions herself.

She was a cold-blooded business woman, and yet she was always a woman. The mother instinct and the woman instinct were strong. Except for her burning love of money, she seems to have been a quaint and honorable person. At a time when capital was scarce in America, she so managed her affairs that she had an ample supply. Thus she contributed to the growth of the nation.

"REDS and Lost Wages" by Charles G. Wood, commissioner of conciliation, Department of Labor, at Washington, is an exposition of the causes and cures of labor troubles. Wood appears to admire the well-established, well-ordered labor union, such as the Typographical Union, with which he had relations for many years when he was a newspaper publisher. If he went back into the business, he says, he would resume the relationship.

The book gives much attention to violent labor upheavals, like that which led to the Boston police strike. The events that preceded that disaster are admirably presented.

Red leadership is costly for both employers and employees. It wins no strikes. It merely misleads honest workmen.

Instead of fighting all unions, Wood suggests that where well-disciplined unions exist employers may find it to their advantage to cooperate with them.

"Self-disciplined unions reflect the kind of employers they deal with," he says. "Where there are good unions you will find that the employers who do business with them are self-disciplined, too."

The strikes attended with the most violence usually occur among unorganized, undisciplined workers who accept irresponsible radical leadership. Employers are correct in fighting the Reds, but they are short-sighted when they include all union leaders among their enemies. The sane, responsible union leader is a productive asset, and should be so recognized by business men.

'Reds and Lost Wages' by Charles G. Wood. Harper & Brothers, New York. \$4.



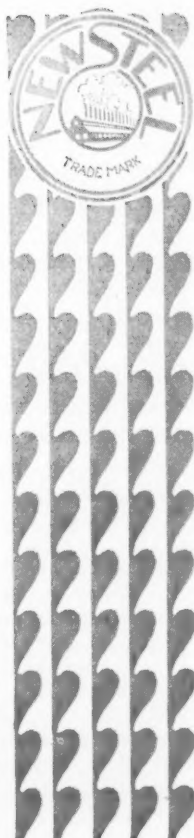
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NEW STEEL *Enameling Sheets*



In connection with Newsteel Enameling Sheets, the services of the Newsteel Engineer are available for the study of your particular needs and the development of the proper specifications to assure best results.

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ANOTHER important type of steel sheet added to the Newsteel list! But offered only after a long period of research, study, and experimentation to assure character worthy of the Newsteel name.

Newsteel Sheets of various types have been recognized for many years for their fine quality, uniformity and advantageous working properties... a reputation which has gained the confidence of manufacturers throughout the country in products of the Newsteel Mills.

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Many a man who insists upon penny accuracy in accounting for quick assets is negligent of dollar error in accounting for property. Yet in either account, error distorts earnings dollar for dollar. American Appraisal Service determines the facts upon which accurate property accounts may be built.

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New York • Chicago • Milwaukee
and Principal Cities

AN INTERNATIONAL ORGANIZATION

One of the most helpful advertising handbooks I have ever seen.—C. A. Meyer, Managing Director, National Tire Dealers' Associations.

★

A masterpiece filled with worthwhile information.—W. H. Leahy, Advertising Department, Dennison Manufacturing Company.

★

We want copies for salesmen to show to retailers.—Kenwood Mills, Albany, N. Y.

★

It will be of tremendous value to retailers.—Irving C. Buntman, Secretary-Treasurer, Newspaper Advertising Executives Association.

If YOU are a retailer—or are interested in retailing in any way—you will want a copy of the new "Small Store Advertising". Seven media are covered including newspaper and direct mail.

Single copies—15 cents each. Manufacturers, wholesalers and others are ordering quantities; prices on request.

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U. S. Chamber of Commerce
Washington, D. C.

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STREET _____

CITY _____

On the Business Bookshelf

MR. Love's biography of Andrew Mellon is the first such to come to our attention. Mr. Mellon, sometimes called the greatest Secretary of the Treasury since Alexander Hamilton, has been written of very little considering his station in national affairs.

The author could perhaps have done a better job if his subject were not so shy of publicity of a personal character; nevertheless he has written a worthwhile biography.

IN AN ANONYMOUS book, "Confessions of a Copywriter,"² we have found a very interesting story of one man's ventures in advertising copywriting.

As might be expected the writer had varied experience in attempting to get into the profession. The jobs he held at first pointed toward advertising but did not quite reach it.

But finally he did attain his goal. And he has written an entertaining book on his experiences and on the sham and make-believe which he says exist in the world of advertising.

"ELECTRICAL Utilities"³ sums up the results of a study, conducted under the auspices of the school of citizenship and public affairs of Syracuse University, of the exercise of public control of light and power. It shows the viewpoints of consumer, utility, and regulatory body.

Data has been prepared by six men, and edited by Mr. Mosher, a procedure that favors an unbiased and informative presentation of the problems.

THE National Industrial Conference Board, of New York, which has published many scholarly and statistical reports on economics, has just issued a study of the financial position of the United States.⁴ The new creditor position of America is truly novel, for foreign in-

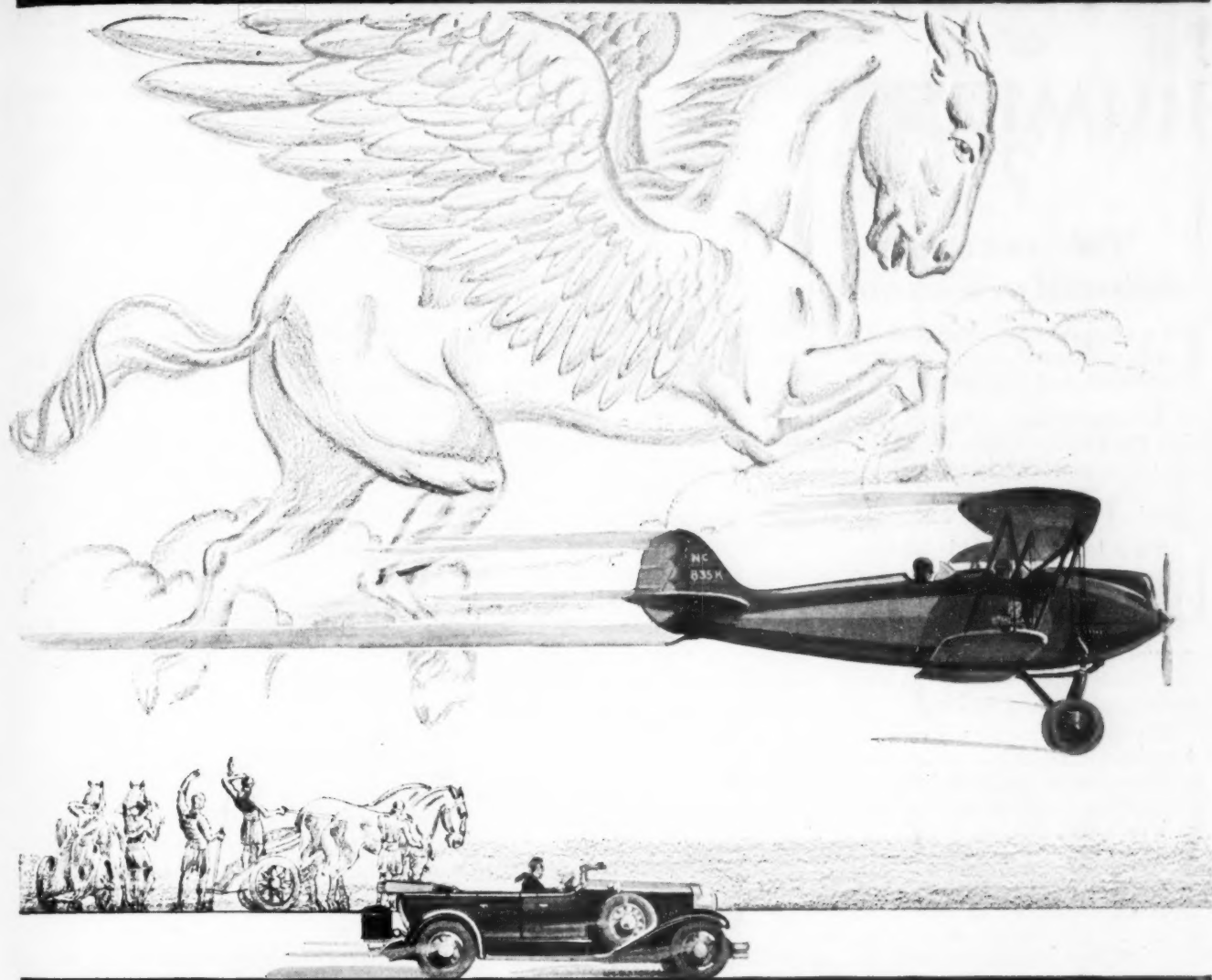
¹Andrew W. Mellon, *The Man and His Work*, by Philip H. Love. F. Heath Coggins & Company, Baltimore, 1929.

²*Confessions of a Copywriter*. The Dartnell Corporation, Chicago and New York, 1930. \$2.50.

³*Electrical Utilities—The Crises in Public Control*, by William E. Mosher and others. Harper & Brothers Publishers.

⁴*The International Financial Position of the United States*. National Industrial Conference Board, Inc., New York. \$5.

PEGASUS OF MODERN TRANSPORTATION



..... GREAT LAKES SPORT TRAINER — *at motor car cost*

The price of the improved 1930 model Great Lakes Sport-Trainer is \$3150 (flyaway, Cleveland). Operation costs, including storage and service, fuel and oil, do not exceed those of a motor car in the same price field . . . Your Great Lakes Operating-Dealer teaches you to fly, provides the thorough training necessary to secure your pilot's license . . . No ship of like power at any price can equal the performance of the Great Lakes Sport-Trainer. None presents a smarter appearance. None offers a greater degree of safety . . . A stock model Great Lakes Sport-Trainer withstood the gruelling punishment of 34 outside loops (made by Tex Rankin), without any weakening or damage whatever. No other ship in the world boasts such a proud record! Yet the Great Lakes Sport-Trainer is the lowest price quality plane being sold in America. Volume production is the answer . . . Get in touch with your Great Lakes Operating-Dealer. If you don't know his name, write us for full information. Address: Great Lakes Aircraft Corporation, Division J-25, Cleveland, Ohio.

Manufactured under U. S. Department of Commerce Approved Type Certificate Number 228

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CORPORATION



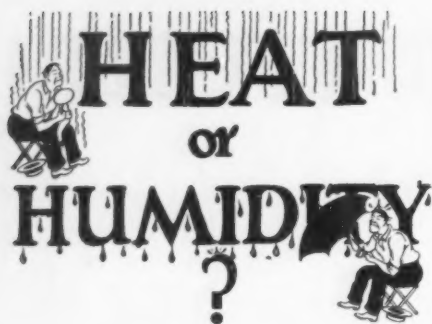
AIRCRAFT
CLEVELAND

Contractors to the United States

Army and Navy

\$3150
FLY AWAY CLEVELAND

When writing to GREAT LAKES AIRCRAFT CORPORATION please mention Nation's Business



Both can NOW be controlled as you wish

for a manufacturing process or for comfort, in a small, as well as a large installation, and at reasonable cost.

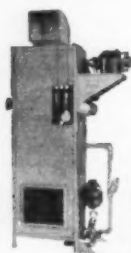
Air conditioning, the art of making the climate within a building independent of the climatic changes without, has long been successfully practiced by the air engineer.

But it has required bulky, expensive apparatus, specially constructed at great cost.

Now air conditioning is done better and less expensively with Niagara Air Conditioners, complete, standard air conditioning machines.

If you manufacture, use or store hygroscopic materials, or employ people to work under conditions of discomfort, it will be profitable for you to install Niagara Air Conditioners.

Niagara Air Conditioners will clean and warm, or cool, or moisten or dry the air you use, dependably.



This Niagara Air Conditioner works in the experimental laboratory of a great electric company, making climatic changes to order, so that scientists may observe their effects. It will also

prevent climatic changes, keeping temperature and moisture content uniform day or night, summer or winter. Niagara Air Conditioners made in 6 sizes, can be used singly or in batteries.

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When writing please mention Nation's Business

vestments in this country heretofore have been the rule. Foreign investments, in fact, had been increasing, with minor set-backs, since the earliest years of the nation. These investments had reached a total of about \$5,000,000,000 just before the World War.

Since the War American lendings to and investments in foreign countries have more than offset foreign investments, leaving the United States a net creditor—a new rôle.

Although America has steadily been investing in foreign countries since 1922; she has not "been draining her capital markets," to quote the report, through absorption of foreign security flotations, but has "been reinvesting in general the sums receivable on interest, dividend and capital repayment account."

"The United States has acquired her creditor position with amazing rapidity under the pressure of extraordinary circumstances, and some readjustment must eventuate," the report continues. "Viewed as a whole, if American foreign investment broadens only gradually, the time must shortly come when a lasting net inflow of capital funds may result from accruing investment charges, capital repayment and new foreign investment."

The first effects of a permanent net inflow of capital funds, it is asserted, will be a shift in the rates of interest in the borrowing countries relative to those in this country which will put off the day of final reckoning.

The Conference Board assumes that a permanent rôle as a nation predominantly in a creditor position may safely be predicted for the United States.

"No volume of foreign indebtedness such as has become owed to the United States could be rapidly liquidated," the report declares. "Nor could it be rapidly exceeded by the growth of indebtedness to foreigners. The present net creditor position could easily be maintained or even gradually increased."

THE exporter interested in getting payment for his merchandise overseas will find in "Financing Export Shipments" an easily read description of the avail-

¹**Financing Export Shipments**, by F. R. Eldridge. Harper & Brothers Publishers, New York, 1930. \$3.50

²**The Federal Reserve System**, by Paul M. Warburg. The Macmillan Company, New York, 1930. Two volumes \$12.

³**Community Leadership**, by Walter Burr. Prentice-Hall, Inc., New York. \$2.50

⁴**The Modern State**, by R. M. MacIver. Oxford University Press, Humphrey Milford, London.

able methods of financing American export trade.

The author has intentionally avoided highly technical discussions of the operations incident to such financing and thereby has furnished a volume readily usable for the American manufacturer engaged in enlarging his markets abroad. It is regrettable that a bibliography was not included so that a reader interested in pursuing the subject further could do so more easily.

MR. WARBURG, a member of the Federal Reserve Board from 1914 to 1918, has set down his "reflections and recollections" of the Federal Reserve System.

The two heavy volumes in which these are presented bear a formidable appearance, but the story itself is included in the first part of the first volume; the appendix fills the remainder of the book with supporting documents. Volume Two is composed of speeches and articles by Mr. Warburg between 1907 and 1924 relating to the Federal Reserve System.

ALONG with the growing efficiency in things industrial there is a similar development in things social. Walter Burr's new book "Community Leadership," provides an interesting discussion of leadership in communities—not only in small towns but in communities of larger towns.

Provincialism must fall before a wider viewpoint, he says, but at the same time there must be community consciousness in the leader, for without it and the loyalty it implies there will be no loyalty of the group. A local leader must get acquainted with his community. Outsiders are generally looked on with disfavor unless they make themselves definite parts of the community.

And a leader cannot bring about revolutionary changes overnight without bringing his changes into disfavor. Successful development is comparatively slow.

A democracy dislikes a coercive leader. A leader can often get better results by hiding himself and even by putting others in the limelight that should logically shine on him.

"THE Modern State" by R. M. MacIver of the University of Toronto is the best text we have seen giving a general survey and interpretation of the modern state. This differs from most

The screech of
the fire siren
thrills - or chills!



For 85 years American-LaFrance has held undisputed leadership . . . 90 percent of America's communities are LaFrance equipped.

LaFrance 1930 apparatus embodies sweeping advances . . . years ahead of their time. It minimizes the gamble with fire.

Every citizen should know all about LaFrance modern fire-fighting. Ask us to send some highly interesting, informative publications . . . free, of course.

AMERICAN-LA FRANCE AND
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Dept. D68 Elmira, New York

It's a great sight. Screeching, careening along . . . all action, bustle, business.

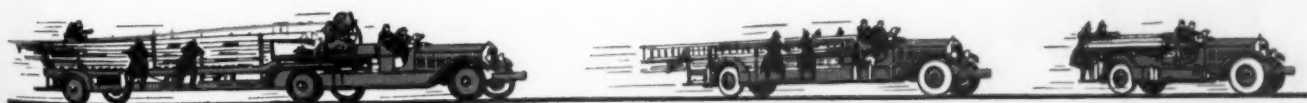
But what sort of equipment have you . . . the taxpayer . . . given these staunch fellows to fight fire . . . the hardest foe of all?

The few thousand dollars that modern LaFrance apparatus would cost your community could be devoured time and again in a single, sizable fire.

Form a fire-committee of your citizen-friends. Look at your fire apparatus. Talk to the chief. He'll show you in a minute that the quickest way to save money and save lives is by having all citizens back up the movement to put 1930 LaFrance fire-fighting apparatus between them and destruction.

LA FRANCE AND FOAMITE PROTECTION

AN ENGINEERING SERVICE
AGAINST FIRE



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No wasteful stops » » » with Multi-PLY non-stop typing



The wasteful stops in record-writing - which usually waste half or more of the operator's time - are eliminated with Globe Multi-PLY Forms.

In this "non-stop" method of typing invoices, orders, departmental records, bills of lading and other business records, there are no costly "stops" to stuff carbon paper, jog sheets, insert in typewriter, straighten in machine, hunt writing position and then remove carbon.

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All of which means a saving of time and money - and, in addition, less red tape, greater accuracy and speeding up of plant and office operations.

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comparable works in that it deals with a generalized state rather than with any particular country.

"The state is an instrument of social man," Mr. MacIver says in his preface. "Its changes are a record alike of his experience with it and of his own changing needs. But long ages have shaped it, and as we follow the process we learn something of the true nature of the instrument, alike of its potentialities and of its limitations.

"To present the modern state as a product of social evolution; to explain how it acquires specific functions and specific means of service, relinquishing certain claims and vindicating others; to show how, through all the struggles and disturbances which have raged round its prize of power, it has established its foundations more broad and more secure—these are the objects of this work."

Such is the course Mr. MacIver sets for himself, and he follows it admirably.

Recent Books Received

Materials for the Study of Public Utility Economics, by Herbert E. Dorau. The Macmillan Company, New York, 1930. \$5.

Public Utility Control in Massachusetts, by Irston R. Barnes. Yale University Press, New Haven, 1930. \$3.

The Future Movement of Iron Ore and Coal in Relation to the St. Lawrence Waterway, by Fayette S. Warner. University of Pennsylvania Press, Philadelphia, 1930. \$3.

C. P. A. Problems, by Jacob B. Taylor and Hermann C. Miller. McGraw-Hill Book Company, Inc., New York, 1930. \$5.

Directory of Museums in South America, by Laurence Vail Coleman. The American Association of Museums, Washington, D. C.

State Income Taxes, National Industrial Conference Board, Inc., New York, 1930. Volume I, Historical Development, \$2. Volume II, Analysis of Income Taxes in State Fiscal Systems, \$2.50.

Principles of Property Insurance, by F. E. Wolfe. Thomas Y. Crowell Company, New York. \$3.

Problems in Industrial Accounting, by Thomas Henry Sanders. McGraw-Hill Book Company, Inc., New York, 1930. \$6.

Psychology in Business Relations, by A. J. Snow. McGraw-Hill Book Company, Inc., New York, 1930. \$5.

Business Law, by E. S. Wolaver. McGraw-Hill Book Company, Inc., New York, 1930. \$4.

Labor Problems, by Gordon S. Watkins. Thomas Y. Crowell Company, New York. \$3.50.

The American Bar, by James Clark Field. The James C. Field Company, Minneapolis, 1930.

A biographical directory of contemporary lawyers of the United States and Canada.



BULK STORAGE PLANT
Staten Island

POWER PLANT
Utilizing Refinery Waste Products
Port Arthur, Texas



Building two plants for the Gulf Refining Company

A 1,920,000 barrel oil storage plant on Staten Island, and a power plant at Port Arthur, Texas, built simultaneously in fast time.

TO SERVE the New York market, the Gulf Refining Company required a new storage plant on Staten Island. At the same time a large new power plant was needed at the refinery at Port Arthur, Texas.

We were called in to design and build both plants.

The storage plant on Staten Island has a capacity of 1,920,000 barrels, occupies 110 acres, and includes twenty-four 80,000 barrel oil tanks, steam plant, two drainage pumping stations, oil pumping station, fire pump and substation, dock for oil tankers, 9 miles of oil pipe mains, 18 miles of foamite pipe, 8 miles of steam pipe, 4 miles of levees, 3 miles of streets and roads, 4 miles of

water mains, 2 miles of electric pole lines.

We did all this work—design and construction—with our own forces in six months' time.

The power plant at Port Arthur, designed to utilize refinery waste products—sludge oil and pulverized paraffin petroleum coke—contains 3 boilers of 15,400 sq. ft. each and a turbine of 10,000 kw. capacity. It was also built in six months.

As usual, the work was executed in close cooperation with the client's organization.

We are prepared to serve industrial companies in the design and construction of manufacturing plants, shops, foundries, storage buildings, power developments or work of almost any nature.

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The Invisible Pilots of Business

By JOHN G. LONSDALE

President, American Bankers Association

WE ARE just beginning to discover that communities cannot isolate themselves from the world and round out their existence without due regard to what their neighbors are doing. To realize its highest success, each community must base its plans and actions on a knowledge of what is transpiring, not only immediately around it, but in the state and nation as well. It must fit itself into the picture as a whole.

The business world has been quickest to realize the value of co-operation. Individuals have not tried to work out the principles of success alone. They have joined others of their group in conferences and in open discussions, and acted in unison to overcome threatening



UNDERWOOD & UNDERWOOD

JOHN G. LONSDALE

● **AS PRESIDENT** of the Mercantile-Commerce Bank and Trust Company of St. Louis, Mr. Lonsdale finds it essential to know what is transpiring, not only in his state but in the nation as well. He finds that every business, no matter who heads it, is really controlled by forces which may work for it or destroy it depending on how the management allows these forces to operate

obstacles. The past year has witnessed unparalleled activity in the assembling of groups. Our President has gone into conference with business men and even the smallest business men have discussed together the problems of production, distribution and consumption.

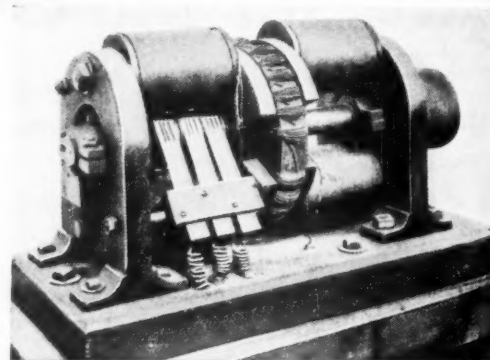
Anyone who attended the great National Business Survey Conference in Washington December 5 must have been enlightened, as I was, by the clear demonstration of the interdependence of the various lines of business, and of business and government. He saw the

initiative and the courage to achieve that our important business leaders possess, their undaunted spirit, and particularly their great eagerness for facts.

Deciding on a basis of facts

THE trend today in every type of business is toward more thorough study and investigation, with decision based on facts rather than on blind reasoning and sentiment. How these facts are obtained constitutes one of the most romantic chapters in American history.

The master hand, the guiding inspiration—the pilot, if you will—of modern business, is not so much the man who directs its destinies as an executive officer but rather that unseen, invisible factor represented in the research and experimental departments. Science, covering the broad fields of biology, physics, chemistry, invention, experimentation and statistical research, has become a powerful ally not only in disclosing to humanity numberless beneficial discoveries, but in devising many new applications of old principles and in reme-



This dynamo designed by Charles T. Brush in 1876 helped change industry

dying defects in industrial methods.

At this moment, somewhere in our land, a patient research worker or some scientist is evolving new facts or testing out some strange compound or device that tomorrow may revolutionize our very existence.

In our offices, in our homes, in our travels, we see the comforts and conveniences provided by the ingenuity of the scientist. And yet, many of the things he turns over to industry are overturning industry itself. Many established businesses have their backs to the wall in a battle for existence.

A glance at the past reveals how ef-

fectively new ideas have triumphed over the old. The candle and the coal oil lamp give way to the electric light; the horse and buggy are forced from the highways by the motor; automatic devices relieve household work of its drudgeries; the stagecoach and pony express succumb to the railroad; and now the railroad meets competition on the river, in the air and on the highways.

Science saves one-time wastes

ANOTHER important achievement is the scientist's success at creating valuable products from by-products. He has saved millions of dollars formerly wasted and often giant industries have sprung from these discoveries. Seventy-five years ago coal tar was thrown away or burned as useless. Today it figures in the manufacture of so many necessary things that it would take a catalog to list them all.

Out in the Santa Clara Valley, California, the apricot growers had thrown away tons of apricot pits year after year. One day a scientist was called in. Now a million-dollar industry has developed to convert the kernels into oils and pastes used in making salads, drugs, cosmetics, flavoring extracts and other preparations.

Thus, on every hand, in every field, the scientist performs his wonders. And back of it all is the ceaseless quest for knowledge. Knowledge and science, in effect, are one and modern science is but one recent advance of knowledge.

The world, we have learned, is continually in a process of transition. The luxuries of yesterday become the necessities of today. Tomorrow's developments know no limitations. To the man of science, all things are possible.

In this new order of things, gone is the day when the business man could work hard for a few years, attain success and then sit back complacently to reap the rewards of his effort. Today he who works hard to achieve success must work harder to retain it.

As far as I have observed, there are just three principal ways of conducting a business—first, by definite, formulated rules; second, by hunches; third, by facts. The first two, though by no means extinct, are rapidly going into the discard. Some there are who, like their fathers and grandfathers, adhere to unchangeable

rules of thumb for shaping their business careers. Still others act upon sentiment, impulse and hunches.

The third group adopts the plan of the scientist by obtaining all the facts possible and examining them in all their varied relationship so that, as far as possible, guesswork and hazards may be eliminated. As another mark of its progressiveness, this group makes judicious use of the printed word, for it has learned that business must advertise or fossilize.

By finding facts large corporations are able to foresee probable future demands for raw materials, capital, service and competition. As an example, a large telephone corporation today is estimating community demands more than a decade ahead. It is compiling charts to show the probable number of subscribers, the number of calls, and necessary construction far into the future. This same concern is spending more than 600 million dollars this year in improvements. What will be the reward? A greatly facilitated service to the public, in addition to the immense benefit to our economic structure when a large portion of this improvement fund finds itself in the worker's pocket.

Insurance companies were among the first to make scientific use of statistical data. From facts and figures they evaluated the mathematical chances of life, injury or damage. From this they developed a system of watching the health of individuals and as a reward the life of man has been lengthened.

In the same manner, other businesses have discovered that by studying a representative cross-section of humanity they can learn how the public will receive a new product. Now offerings are tested not only in the laboratory but on

a small section of the public before quantity production is attempted. Thus science pilots distribution as well as production and the reward is always greater comfort and service to the public.

In the aptitude for turning scientific discoveries to the account of industry America has no equal. Her industries, more than in any other country, have organized special departments so that problems may be relentlessly followed up and worked out. Perhaps it is significant that the word "American" ends in "I Can."

The twentieth century American is not bound by customs and traditions. He strikes out on new trails alone.

A few years ago Dr. Frank Price of the Nanking Theological Seminary in China was captured by bandits and was to be beheaded. The executioner advanced and politely requested the victim to kneel. But, Dr. Price had no love for Chinese traditions. He refused to kneel. A second and third request found him just as immovable as the first. How could the Chinese behead a victim if he did not kneel as they had done by tradition of centuries?

The bandits were baffled and Dr. Price is at liberty today.

Moss-backed traditions have no place in a business world that must suit its actions to conditions born of a new day. Strategy, resourcefulness, keenness and sureness of decision are the sinews of present-day industry. Old standards and rules must give way. Yet the minds of some people in business are still attuned to the days of old.

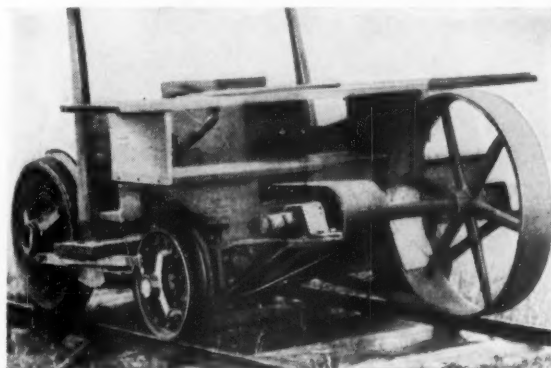
Keep learning

TO THESE, let me say:

"Look around you; see what is going on; modernize your old-fashioned ideas and traditions; no matter what your age, you are not too old to learn. Keep an open mind, read and study. Then you will have a chance of keeping up with the crowd."

Fortunately, America has for its President a man who has the trained mind of the engineer and the scientist. Consequently, we find Government and business working together as never before to keep trade and industry on an even keel.

But how can the small manufacturer and retailer take advantage of the discoveries that are constantly being



Edison's first electric locomotive was a curiosity in 1880 but it changed trends in transportation

WHEN SERVICE

Is Important—As Well As Costs

AMONG industrial leaders who place a high premium upon the service which they give—

In the highly competitive fields, where shipping costs must be kept as low as possible—

You will find Hackney Seamless Steel Barrels constantly on the job, trip after trip—year after year.

They take the ordinary hard knocks received in shipment without denting.

There are no seams or rivets—to catch and hold the materials—to rust or spread.

And Hackneys remain absolutely leak-proof during their entire life.

Hackney Seamless Steel Barrels can be furnished with patented raised openings or full removable heads.

In addition, Hackney builds a complete line of steel drums, cylinders, two-piece barrels, and special shapes.

Such Industrial Leaders as These

No wonder Hackney Steel Containers are used by such industrial leaders as:

Eastman Kodak, Colgate-Palmolive-Peet, Commonwealth Edison, Nickel Plate R. R., General Electric, Wadams Oil, Du Pont, A. T. & S. F. R. R., and many more.

Write for catalog and complete details regarding comparative costs of shipping in Hackney Steel Containers vs. light-weight packages.

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1345 Vanderbilt Concourse Bldg. . . N. Y. City
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Hackney

MILWAUKEE

When writing to PRESSED STEEL TANK COMPANY please mention Nation's Business

brought to light? You hear on every side that only the big corporation is able to maintain a research department and carry its investigations to successful conclusion. That's true in a measure, although the alert little fellow can do some experimenting of his own. The big corporations are eager to pass on to him helpful trade facts.

Then there are books and magazines whose pages the business man should find time to study for enlightenment. Some individuals protest they have no time for such things, but to these I say, "If you haven't time to read, you haven't time to succeed."

We must be fully conscious of the new day that has dawned. Realizing this is a year of "cafeteria" prosperity (help yourself), we must lend ourselves to broad mindedness, to the acquisition of knowledge helpful in our business. Never before has the world outlook for intelligent appreciation of future possibilities been so great as today. Never before has there been such a wealth of opportunities as the rising generation possesses.

Recognizing that industrial research is now spending about \$500,000 a day in promoting its work let us be alert to learn of its findings and apply them.

Governmental research and business research must be developed. There is no basis for real concern as to the immediate future of business or of government. I am optimistic also about the long trend, as I have confidence that we, as a progressive people, will seek even more diligently, through study and research, methods of improvement in the policies and practices of business and government.

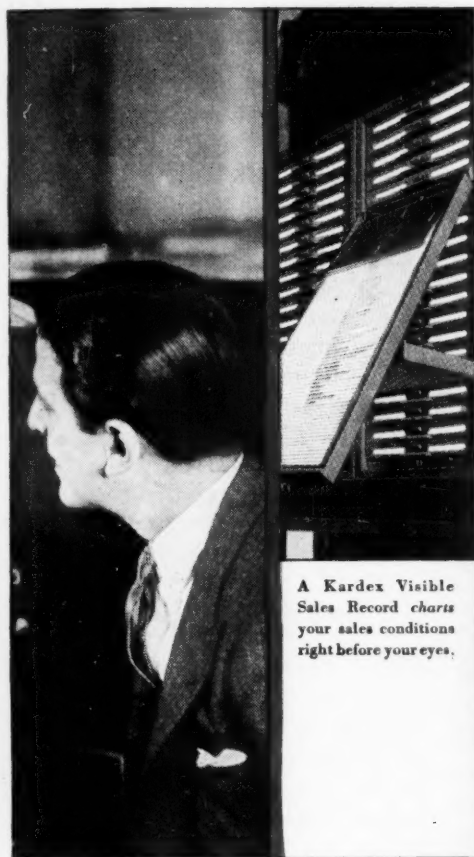
There's joy and romance aplenty in meeting the new competition if we but keep minds and souls attuned to the spirit of change and reckon with the invisible pilots of modern business.

Home Conscious

ONE outstanding problem of the home building industry, according to a statement by John M. Wyman of Cincinnati before the Southern Pine Association is the development of home-consciousness.

The Shreveport, La., Mutual Building Association in its interest in better homes a few years ago set up a department to supervise the specifications and construction of houses. A certificate of good construction is furnished which might, if followed generally, tend to increase home-consciousness.

called in Remington Rand ..



A Kardex Visible Sales Record charts your sales conditions right before your eyes.

*"Production slowing up
... what's the matter?"*

... The works manager of a big jewelry manufacturer asked Remington Rand to analyze his records. They were kept on "job tickets" in an ordinary letter file. "What you need," said the Rem-Rand man, "is a visible 'control board.'" So a crew of Rem-Rand indexers was called in ... the "board" set up ... the data transcribed ... and the new system delivered, ready for use. A week's use of it located the trouble. Stocks should have been accumulated on standard items. Then the specialties could have gone through the plant with 20% more speed!



A Kardex Visible Binder gives a constant check on every detail of production routine.

Remington·Rand

BUSINESS SYSTEMS

RAND AND KARDEX Visible Records ... LIBRARY BUREAU Filing Systems and Indexing Service ... KALAMAZOO AND BAKER-VAWTER Loose-Leaf Equipment ... SAFE CABINET Fire Protection Devices ... INDEX VISIBLE

RAND office please mention Nation's Business

Kemp Brings Efficiency to All Process Heating



Give Me The Service We're Paying For and I'll Stop The Rejects!

The minute the chief engineer entered the room he knew he was in for more than the usual "ragging". The President had a long face and a longer list of figures. He thundered something about the high cost of production and tons of rejects. It was an old story to the engineer but this time he had an answer.

"Give me the service we're paying for and I'll stop the rejects—" he said. "We are now paying in dollars and cents for the best heating equipment made and are enjoying none of its benefits. Dollars and cents paid out in wasted fuel due to faulty mixtures at the burner, in fruitless labor and unnecessary supervision. The Kemp system will save enough in this plant, over our present system, to more than pay for itself, the rejects will stop and the quality will be uniform."

The President said "Go to it" and the Kemp system was installed. In this case as in every installation on record it proved a valuable investment.

Are you paying for the efficiency of The Improved Kemp Automatic Gas System and receiving none of its advantages? A Kemp engineer will gladly go over your heat application problems with you and make recommendations.

You obligate yourself not in the least to buy. You can reach him by writing or 'phoning Vernon 1166, Baltimore, Maryland.

The Improved Kemp Automatic Gas System



When writing to C. M. KEMP Mfg. Co. please mention Nation's Business

Railroad Rates and Consolidation

(Continued from page 34)

policy of the rails, and then pass on the legality or advisability of the process. To this the rails do not object provided they can obtain a decision promptly enough to proceed and not blast shippers' hopes by a plan disallowed.

One example of the shippers' interest is a contemplated extension of a north line or a south line to the great timber zone between South Oregon and North California. This is one of the richest undeveloped timber zones left in the West.

Now come back to this zone between Oregon and California. A few years ago it was so cut off from any market that not an axe sounded, not a mill could be built, not a board could be put on the market. On prospect of some line coming in, the population jumped to 2,000. On prospect of two lines coming in, the 2,000 jumped to 20,000. Theaters, movie houses, electric companies, retail stores rushed in. Delayed decision by the Interstate Commerce Commission would ruin or stall every investor.

Face the same questions

FROM the Hill lines to the Southern Pacific and Kansas-Gulf systems and Missouri Pacific family, if you examine the new plan of consolidation, you will see each has to face the same answers to three questions vital to its prosperity and the zones it serves—sell on the open market, sell at the best it can get, put in a holding company.

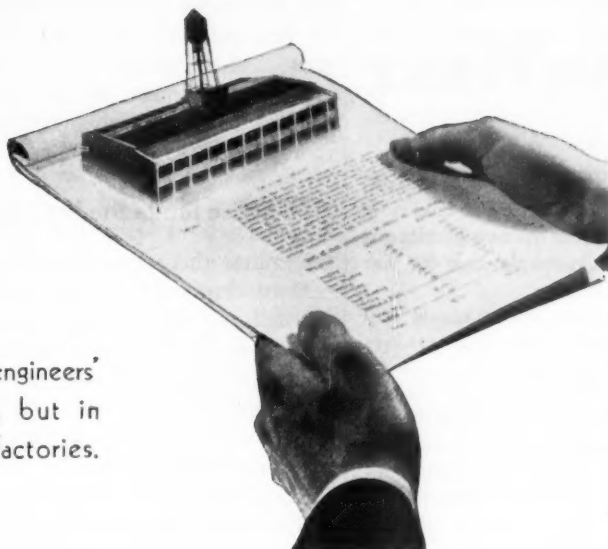
But what they must know before proceeding is what is to be allowed, what disallowed.

Or take as typical of the eastern situation, the family of rails known as the Chesapeake and Ohio and the Erie consolidation under the new plans. Of the eight larger lines put in this system with perhaps 20 smaller affiliations, six have already been allowed. One is to be assigned to the Gulf system. It is a pay line and is to be sheared off. Shares in the Missouri Pacific may have to go likewise.

This will not hurt the combination; for they can sell at more than the price bought. To replace the paying line sheared off, to the six already allowed have been added two others—one an exceedingly profitable coal carrier, the other famous Alton, a receivership line loaded with debt but running through

PIEDMONT CAROLINAS

offers PRE-TESTED SUCCESS



Not in engineers' reports, but in thriving factories.

MANUFACTURERS who contemplate moving to Piedmont Carolinas do not need to wonder about conditions they will find here. The trail blazing has been done, and it has been done well. If you ask, "Will I have to train help? How long? Can I get the raw materials I need? What will land and buildings cost? How soon can I get capacity output? What production economies can I obtain?"

YOU WILL FIND the answers—not in engineers' reports and surveys—but in living, thriving, producing factories right in your line. You will find plants representing practically every classification of industry—from abattoirs to wool weaving.

Many of them in some lines are still small—unable as yet to satisfy the local demands of their immediate neighborhood markets. But they are pilots that show what can be done. And they are growing.

The first full-fashioned hosiery mill, the first bleaching and finishing plant, the first textile mill, the first furniture factory can now scarcely be remembered, but they pointed the way to a host of followers that have built up tremendous industries of amazing size and wealth.

ADVANTAGEOUS LOCATIONS are plotted for different industries. Raw material sources are known. Labor supply is recorded. The opportunities in many lines are practically untouched. They have a promising development ahead of them, needing only men of experience and capital to unlock their riches.

FACTS YOU WANT are presented in the book shown here, "PIEDMONT CAROLINAS, WHERE WEALTH AWAITS YOU." Complete. Authoritative. Your request, on business letter-head, will receive prompt and courteous attention, confidential handling if you request. Address, please, Industrial Dept., Room 104, Mercantile Bldg., Charlotte, N. C.



—DUKE POWER COMPANY—
SOUTHERN PUBLIC UTILITIES CO. AND OTHER ALLIED INTERESTS

MARKET OPPORTUNITIES

This section extends farther west than Detroit, and yet the heart of Piedmont Carolinas is only an overnight ride from the country's most populous cities and large buying centers—an advantage to manufacturers who sell in such markets.

A 600-mile circle centered on the chief Atlantic sea-ports reaches some 44% of the nation's buying power. This is the economical marketing and shipping radius. A similar circle centered on Piedmont Carolinas reaches 67% of the national market.

Thousands of Piedmont Carolinas men and women wear shirts and dresses of goods their fingers have fashioned—but made into finished garments in other, and much more costly, manufacturing areas.

Although ranking high among the agricultural states, the Carolinas import 82% of all the food eaten here. Preservers, canners, millers and meat packers can find many golden opportunities.

Carolina granite is built into some of Washington's most monumental structures. Carolina brick is shipped by rail to places where it competes successfully against water-shipped brick from nearby. Carolina cities have a per capita building program far in excess of the national average. And still only 25% of the stone and clay products used here are made here. Building material producers here can reach the bulk of their market by truck.

Manufacturers of production machines and mill supplies now located here are able to supply less than 5% of the demands of this section. Those who are engaged in these lines are busy and prospering.

Carolina forests are extensive producers of pulp wood; and due to favorable climatic conditions, forest growth rapidly replaces itself. Yet 85% of the paper products used here are shipped in.

Many radios are housed in beautiful cabinets, handiwork of Piedmont Carolinas craftsmen. Equally capable men are available for the production of the chassis. Local demand for receiving sets is high. Today Piedmont Carolinas produces not one per cent of the musical instruments it buys.

In only three lines of industry do the Carolinas produce more than they consume.

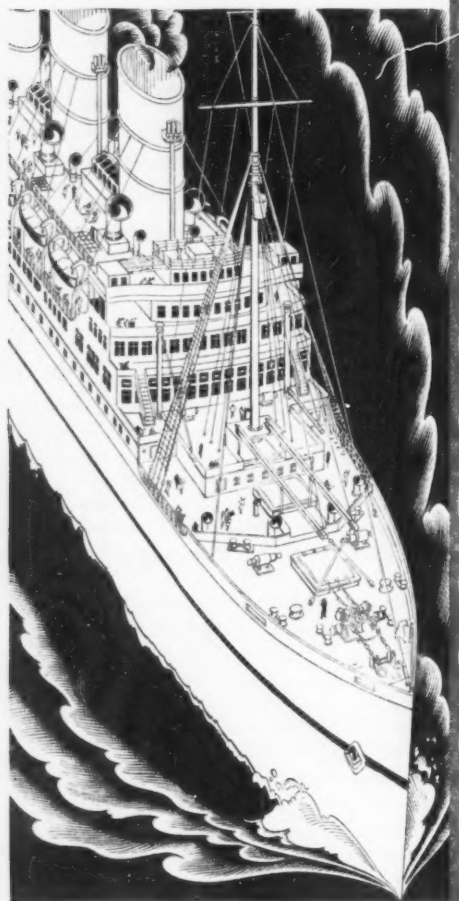
PIEDMONT

INDUSTRY

CAROLINAS



Hip Sing Jr., is taken for a ride . . .



. . . the mammoth new Empress of Japan speeds you there.

FAR EAST *turns into* **NEAR WEST**

NEARER...by two days...by 1000 miles! The old mystic Far East now suddenly becomes the new glamorous "Near West"...simple, easy for you to reach.

Hawaii is now only a casual trip away. A great white Empress has sped to Yokohama in 8½ days...record Pacific dash. Shanghai, gayest, largest port in the Orient, waits 3 days farther on. 5 short days more, and you are in Manila...gateway to the exotic South Seas. This is the miracle of the Pacific!

• THIS YEAR . . . EMPRESS OF JAPAN

You go on one of Canadian Pacific's great white Empresses . . . queenly giantesses of this Pacific miracle. This year comes the 26,000 gross-ton Empress of Japan . . . new standard of size and speed. Swimming pool, period lounges, imperial ballroom, continental cafe, expansive sports deck. Equally superior second-cabin. She, Empress of Canada, Empress of Russia and Empress of Asia comprise this fleet of international resorts-on-keel. All catering to those who prefer a congenial, do-as-you-please shipboard atmosphere.

• CHOICE OF ROUTES

Which way will you go...the paradise route via Hawaii or the express route straight from Vancouver and Victoria to Yokohama? Ask for booklets telling about the new, simplified way of touring the Orient. Information, reservations and freight inquiries from your own agent, or from any Canadian Pacific office: New York, Boston, Philadelphia, Washington, Chicago, Montreal, and 29 other cities in the United States and Canada.

TO THE

Canadian **ORIENT** Pacific

WORLD'S GREATEST TRAVEL SYSTEM

When writing to a CANADIAN PACIFIC office please mention Nation's Business

one of the best revenue areas in the Middle West.

When one contemplates what has already been done by the Chesapeake and Ohio-Erie combination to restore bankrupt lines to a paying basis and improved service, it will be seen here the new plan does not essentially change the picture of voluntary consolidation. So you hear little opposition though a great deal of caution from the big eastern systems known as the New York Central, the Pennsylvania, the Baltimore & Ohio to the new plans.

Size limits the benefits

OF course there is a limit to the benefits of consolidation. Every rail man will tell you that frankly. The limit is size. That is why the rail men favor a holding company as the custodian of the consolidation rather than one big line. A rail line is an intimate thing in its relations with the public, the shipper, the traveller.

The small line knows these local intimate needs—many cars here, few cars there; no hay or fruit or grain here one season owing to weather, a great deal perhaps just across a divide or hill; trucks possible here owing to good roads, trucks not possible over a hill owing to iced roads or washouts.

Small lines keeping their own entities can deal with these local seasonal needs almost instantly. They can obtain permission from the Interstate Commerce Commission by complaint in a month or by wire in a day to meet a sudden emergency. A huge operating line could not. Too many conflicting sections are involved. The emergency giving one section relief, could be claimed by all sections.

The shippers can survive

WILL consolidation junk at least 30,000 miles of weak lines, which can never pay? It possibly may do so. If it does, will the junking of these inefficient brothers not ruin the shippers along their lines?

No. Because for short distances, the motor truck and the motor bus come in. With a one-man crew they can do with profit what the train with a three-man crew cannot make pay.

There is just one other vital point to be held in mind. It has been argued that in such consolidated lines, the public would have to pay higher tariffs. The opposite is the case in fact. It is the weak brother which can never pay dividends which always must charge higher rates to keep going at all.

The Price of Great Expectations

(Continued from page 24)

their income. Perhaps that is the justification of the woman's point of view.

In my notes for this paper, I found a memorandum, which I think was taken from Antioch Notes, written by Dr. Arthur Morgan.

It reads:

"Because we cannot resist giving ourselves everything, we say that we devote ourselves to our mad rush for money that we may give our children everything, regardless of the fact that by raising their standards of income and needs, and lowering their standard of life, we are in reality making their future infinitely more difficult for them."

It summarizes what was in the back of my head when I started to write this.

I know there are many sensible people in a great city like Cleveland, which is proved by the fact that only a comparatively small number of the people live in the most expensive neighborhoods.

Thousands are happy in \$9,000 homes in good but unpretentious neighborhoods. They are making no effort to appear other than what they are, except such modest effort as is the right of every normal American.

It's harder to come down

IF their children succeed in winning larger incomes than their parents they will find it easy to move into better neighborhoods and better houses. It will be easier to go up than it would be to come down—easier for the children and easier for the parents. It is to be hoped that this notion may prevail.

The answer to such reasoning usually is that ambition never hurts anyone. For my part, I think that we are born with all the ambition we will ever require.

The trouble is that parents want to control the ambitions of their children.

They are not satisfied to let their son become a musician, a teacher, a football coach, an actor, or an attendant at a filling station—if that happens to be his particular ambition.

He must get into something respectable and conventional, so that he will not lose contact with the influential friends whose acquaintanceship has been made at great expense. It isn't lack of ambition that holds back young men—

more often it is lack of ability, or ability directed to a wrong end.

Some men begin as college professors and end up as bankers. Others start as bankers and end up as plumbers. The majority are so lacking in imagination and ability that it doesn't make any difference where they start—they'll end up as useful, harmless souls, quite happy in their fate unless they happen to have married women of a different temperament.

A lesson from tax reports

TO me the income tax reports in the United States are ugly. They contain a lesson that every parent should heed. The chances of children being sufficiently successful to make \$10,000 a year or sufficiently eminent in other ways to get into "Who's Who" are remote.

Why not raise them, therefore, to enjoy life in the lower income brackets and in the ranks of those whose doings and sayings are rarely reported in the public prints?

This means a reconsideration of values, of course.

Thousands now being sent to college at a sacrifice ought never to go at all. Many girls who are acquiring tastes that cannot be satisfied with an income of less than \$10,000 ought to be working as waitresses. Better have sons and daughters who can be solvent and happy on \$4,000 a year than insolvent and unhappy on \$10,000.

Long chances hold no charm

PERHAPS, however, I am of a different temperament from the usual American citizen.

I care little for gambling and doubt that I should ever buy a ticket in a lottery. Even the chance of winning a million dollars would not attract me, because it would be too remote to hold any interest for me.

Yet I know that a state lottery in this country would be sold out overnight. No chance, provided the prize is big enough, is too long for the average American.

Therefore, I expect no change in our national expectations, nor in the methods of our advertising.

After all, perhaps there is more fun in striving to reach a goal than in achieving it. Perhaps great expectations make life worth while.



A guide to economy

Every Jenkins Valve . . . of bronze or iron . . . is marked with the Jenkins "Diamond" trade mark, cast in the valve body above the signature "Jenkins Bros." The "Diamond" is a guide that architects, contractors, engineers, managers and superintendents have come to follow confidently, knowing that Jenkins lead to valve economy and efficiency over a long period of years. Jenkins Bros., New York, Boston, Philadelphia, Chicago.

Jenkins
VALVES
Since 1864

JOHN HANCOCK SERIES

How to make bequests —scientifically

Make your bequests in the form of life insurance and pay the premiums out of current income. Thus you can accomplish your object with three-fold effectiveness. First you have the means of creating the bequest funds. Secondly, you have the certainty that they will reach their destination intact and strictly in accordance with your wishes. Thirdly, the remainder of your estate is undisturbed, so that no loss occurs due to the necessity of transferring funds at any given time.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

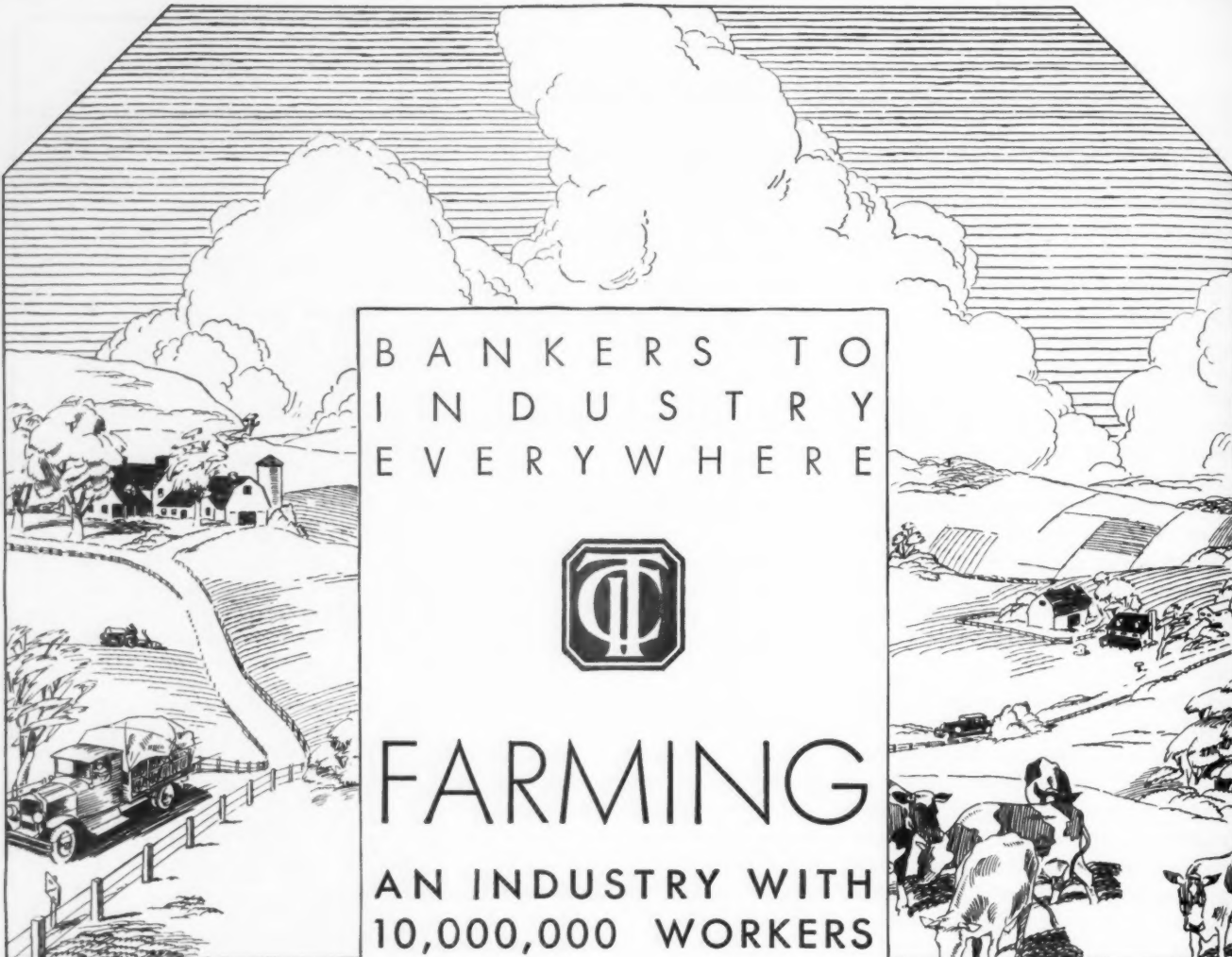
INQUIRY BUREAU
197 Clarendon St., Boston, Mass.

Please send booklet,
"This Matter of Success"


Name.....

Address.....

U. S. —Over Sixty-Seven Years in Business—



BANKERS TO
INDUSTRY
EVERYWHERE



FARMING

AN INDUSTRY WITH
10,000,000 WORKERS

FARMING still employs more workers than any other one great branch of American industry. Our farms with their buildings, machinery and stock are valued at more than \$50,000,000,000.

The farmer is long accustomed to make use of time payment facilities offered by those who sell him both as a producer and a consumer.

The C. I. T. group of financing companies has a two-fold part in the credit system which serves our great farm population. C. I. T. Service is available to makers and distributors of machinery, trucks, tractors, and other modern equipment used in the business of farming. In this field C. I. T. offers specialized financing arrangements adapted to meet trade requirements.

Our more than 6,000,000 country homes are an

increasingly important market for automobiles, washing machines, radios and many other types of products which add to life's comfort, convenience and pleasure.

Merchants in these lines have long known C. I. T. Service as a dependable source of funds with which to finance their credit sales. They value it for prompt action, freedom from "red tape", and for its low rates made possible by the strength and world-wide scope of the C. I. T. organization.

Through over 140 local offices in the United States and Canada, C. I. T. cooperates with merchants and manufacturers in financing credit sales of aircraft, automobiles, machinery, household appliances, industrial equipment, radios and many other products.

COMMERCIAL INVESTMENT TRUST CORPORATION

Executive Offices

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Subsidiary and Affiliated Operating Companies with Head Offices in New York • Chicago
San Francisco • Toronto • London • Berlin • Paris • Brussels • Copenhagen • Havana
San Juan, P. R. • Buenos Aires • Sao Paulo • Sydney, Australia • Offices in over 160 cities.

CAPITAL AND SURPLUS OVER \$100,000,000

When writing to COMMERCIAL INVESTMENT TRUST CORPORATION please mention Nation's Business

What Wall Street Is Talking About

By MERRYLE STANLEY RUKEYSER

THE recessive course of business in the last year has revealed the fallacy of the assumption that the business cycle has been adjourned.

During the prolonged period of prosperity, which was interrupted last summer, the view became popular that "it ain't gonna rain no more." Conversely, of late, as business gave indications of scraping bottom, shortsighted observers began to predict that there would be no near-term upturn in business and that the country was in for a prolonged period of shrunken activity and deflated corporate earnings.

I see no evidence to indicate that the setback was more than a short-term technical corrective movement—soon to be followed by a return to the prosperity phase of the business cycle.

Business probably touched bottom last December and has been showing a gradual improvement ever since, although this improvement has been mainly seasonal in character. In April the decline in factory pay rolls was less than seasonal, according to the Federal Reserve Board. However, the aggregate volume of business in the first third of the year was of course distinctly smaller than the corresponding period of 1929.

IT IS important to point out that output has been larger thus far in 1930 in automobiles, oil and silk than in the corresponding period in 1928 and only slightly smaller in steel and coal. However, substantial declines were shown over 1928 by cotton and wool textiles, flour, meat packing, tires and lumber.

This country, as one astute industrial statistician has pointed out, makes progress by overdoing things.

There is little doubt that during the Coolidge-Mellon-Hoover prosperity period, prosperity was overstimulated and overexploited. And yet, in sketching the probable volume of trade in the future, it is well to bear in mind that American merchandising and advertising genius will again be operative and will seek to promote a high standard of living. The endless search in industrial laboratories

for new products will go on and will help to stimulate buying.

Business researchers will develop new industries and new cycles of purchasing power. With American productive facilities large, great emphasis will be placed in the coming decade on selling. However, in the frantic search for buyers, extensive use of the instalment plan of selling will doubtless be made.

A sage and seasoned observer, Frank A. Vanderlip, who retired as president of the National City Bank in 1919, sitting at the luncheon table with me, remarked:

"The American people will protect their new standard of living. They will not revert to the lower, pre-war standards. There is a tendency to view the 'new era' somewhat ironically at present, yet we are really living in a new era, with the output per man doubled. We are in an era of scientific production and research. We have stubbed our toe, but good times are ahead. I am not prepared to fix an exact date."

From the Pacific Coast I received the subjoined message from Herbert Fleishhacker, president of the Anglo and London Paris Bank in San Francisco, and one of the leading business personalities in the Far West:

"I cannot get too pessimistic about current economic conditions in this country or about the stock market. An immediate resumption of the wild excesses of the recent bull market is not of course in prospect, but I cannot find reason to forsake an optimistic attitude.

"I sincerely hope that those in responsible positions will not tamper with wage levels in this country. High wages and high tariff have been the backbone of our prosperity. We cannot expect our prosperity to be maintained unless the working man is guaranteed a living wage and to this end our policy of protective tariff for our major industries must be continued."

Talking of conditions on the West Coast, Mr. Fleishhacker added:

"Agricultural conditions on the Pa-



This aerial view of New York's financial district shows the Equitable Trust Company tower. The Equitable on June 2 was merged into The Chase National Bank, bringing Chase into a leading position



**Underwriters and Distributors of
Government, Municipal, Railroad,
Public Utility and Industrial Securities**

Investment and Brokerage Service

*Members New York and
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OTIS & CO.

Established 1899

NEW YORK CLEVELAND CHICAGO

Offices in twenty-eight cities



A DECADE OF GROWTH

SIGNIFICANT of the productivity and progressiveness of the area served by the Associated Gas and Electric System is the 109% increase in gross earnings, the 248% increase in net earnings and the 99% increase in the number of customers for the period 1920-1929 as shown below.

Dec. 31	Annual Earnings		Sales K. W. H.	Number of Customers	
	Gross	*Net		Electric	Gas, Water, etc.
1920	\$ 49,410,687	\$14,449,787	1,020,912,328	342,373	344,651
1921	53,301,038	17,195,389	985,365,167	381,238	353,871
1922	56,828,970	20,663,844	1,143,467,323	444,233	369,660
1923	63,638,228	24,325,142	1,348,986,857	513,007	381,288
1924	67,417,018	26,733,159	1,400,942,454	590,692	398,527
1925	73,977,348	31,531,123	1,579,150,849	665,366	416,896
1926	81,646,959	35,652,028	1,854,708,852	736,451	437,490
1927	88,113,621	40,148,195	1,921,527,571	782,887	454,228
1928	93,624,445	43,196,594	2,110,949,196	845,551	465,487
1929	103,556,864	50,282,036	2,372,274,311	896,630	472,231

*Before depreciation.

To make an Associated System investment write for Circular G-8

Associated Gas and Electric Company

61 Broadway



New York City

cific Coast are very promising. We have had seasonal rains and prospects at present are very bright for a bumper crop."

THE economic soothsayers at Harvard University, though somewhat premature in heralding a return of prosperity, in a recent bulletin hold out hope for a marked improvement in business later in the year. The Harvard Economic Society points out:

"In view of the probable improvement in several major industries, the favorable outlook for commodity and security markets, and the outstanding fact of cheap and ample credit, we conclude that general business is likely to improve continuously or nearly continuously, through the rest of the year.

"Indications are that the most rapid gains will be made in the third quarter, and in the fourth quarter—despite political developments which may be adverse—will maintain a level substantially above normal."

In interpreting the meaning of the recent business fluctuations, the Society said:

"Seasonal changes aside, general business for some time has neither lost ground appreciably nor gained it. The latest break in stock prices, both because of the fresh losses entailed and the effect on business sentiment, is an influence temporarily retarding business improvement.

"On the other hand, there are certain powerful forces which make for improvement; the stimulus afforded by very easy money, the closer balance which has now been attained between production and consumption, and the current low prices of raw materials. Moreover, greater activity is already indicated in important industries.

"We believe, therefore, that business—with due allowance for seasonal improvement—will turn for the better in a few weeks, recover vigorously in the third quarter, and end the year at levels substantially above normal."

OF course, time is on the side of business improvement, inasmuch as during recession, consumption does not decline as much as production.

This has been true in recent months. Accordingly inventories have been gradually reduced and new shortages are in the making.

AN especially discouraging phase of the business situation has been the pro-



An investor in Railroad Securities

IN 1929 there were transported by the railroads of the United States 2,427,000,000 tons of revenue freight and 780,000,000 passengers. A total of over \$25,000,000,000 has been invested in the properties of these carriers. They employ some 1,700,000 persons who receive yearly wages of nearly three billion dollars.

Since 1916 American railroads have increased their gross earnings 75%, their capital only 13% and their outstanding common stocks only 4%. They have expended billions of dollars from earnings and capital to increase property accounts and operating efficiency.

United Founders Corporation and subsidi-

aries own diversified railroad securities, representing substantial investments but no control of properties. At present these investments are in railways of leading American systems operating over 60% of the Class I mileage in the United States.

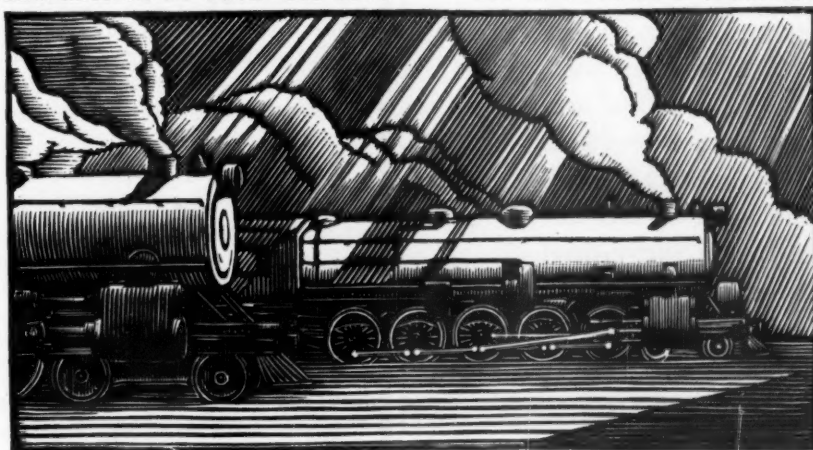
With its railroad holdings, United Founders combines investments in other basic fields. It has important investments in leading systems in the electric power and light industry in addition to its interests in investment companies, banks and insurance companies.

Through control of American Founders Corporation, United Founders is interested in a group of investment companies which have operated successfully over a number

of years. This interest provides United Founders also with extensive economic, analytical and research service.

The operations of United Founders Corporation are directed to obtain the cumulative and substantial results which accrue from long-pull, managed investing.

DECORATIONS BY ROCKWELL KENT • CUT IN WOOD BY J. J. LANKES



UNITED FOUNDERS CORPORATION

◀ This advertisement is the third of a series outlining the investment activities of United Founders Corporation ▶

What Test do you apply to an investment?

SOME investors continue to take an attitude which was born of the market of 1929. It is reflected in a type of thinking which applies only one test to an investment: "Is it a buy"—meaning: what is it going to do, how many points is it good for—instead of asking the basic question: "Is it sound?"

This attitude obviously overlooks the fact that a security represents an interest *in a business* and is more than a mere market transaction. It does not take into account the factors on which the business, and therefore the security, depends—management, product, assets and earnings. It seeks to disregard the factor of time. It asks too soon for results that can be achieved only over a period.

The true investment attitude dictates, first of all, the selection of sound situations which have in them the possibilities of reasonable growth and, therefore, reasonable appreciation in principal and income over a period of time. Given such a situation, the investor should participate in it through long term investment in the bonds or stocks, as individual requirements indicate. In this way he earns and receives the rewards of capital soundly placed.

A. G. Becker & Co.

Sound Securities for Investment

54 PINE STREET, NEW YORK • 100 SOUTH LA SALLE STREET, CHICAGO

longed and precipitous decline in the prices of raw materials.

This has made for a reduction in purchasing power in nearly all parts of the world and does not augur well for the immediate outlook for American exports, particularly in view of the fact that the new tariff bill has psychologically created additional sales resistance to American exports in foreign countries.

Premature forecasts months ago that commodity prices were on the verge of stabilization failed to allow for the factor of statistical lag.

The world-wide decline in interest rates should tend to arrest the decline in commodity prices but there is a lapse of time between the initiation of new economic forces and the manifestation of the consequences which flow from such changes.

George E. Roberts, economist of the National City Bank, has challenged President Hoover's assumption that the business cycle could be modified by human volition. In a speech before the last convention of the Chamber of Commerce of the United States, President Hoover set forth his philosophy in this way:

"I do not accept the fatalistic view that the discovery of the means to restrain destructive speculation is beyond the genius of the American people."

Dissenting from this viewpoint Mr. Roberts says:

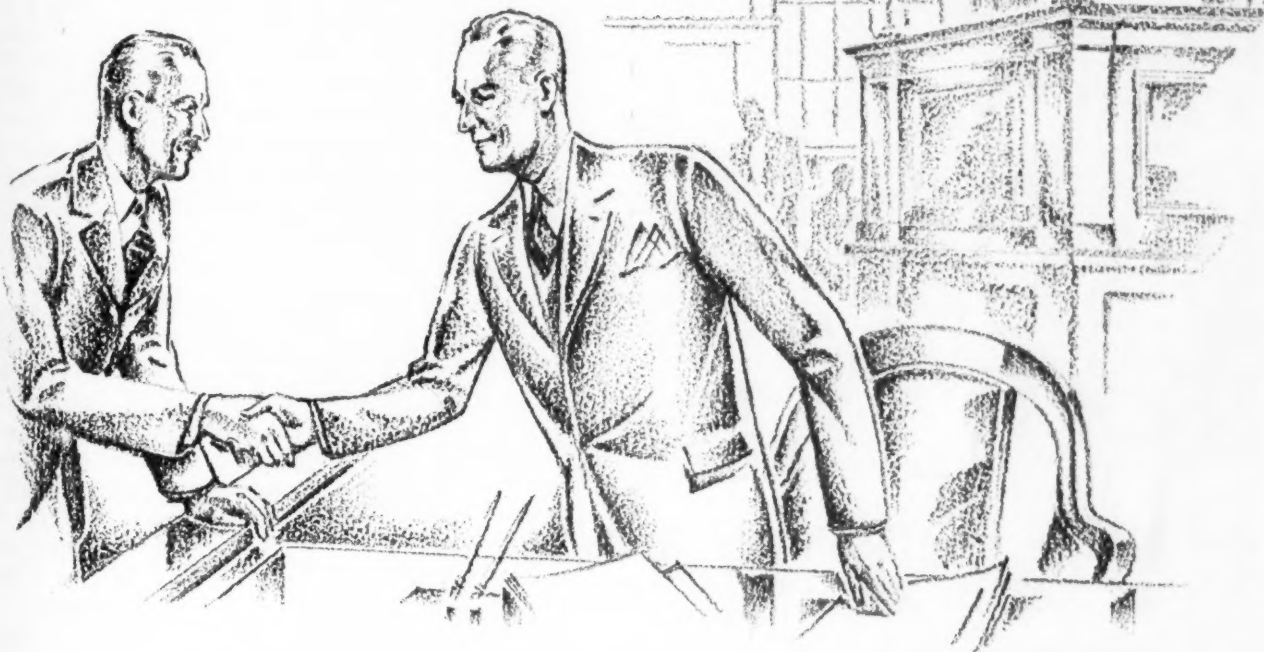
"A boom period permits errors which have to be corrected and paid for. The period of recession that follows is a period of readjustment and reorganization. This country is passing through that process at the present time.

"It is not at all certain that if all the irregularities of industry and business were smoothed out and all uncertainties were removed we would on the whole be any better off or any happier. There is reason to believe that there are gains not only from periods of elation when all energies are turned loose and tend to run wild, but also from corrective periods."

WITH credit easy and in abundant supply, America at this stage needs the venturesome type—the promoter who has the vision to imagine new products which will stir the buying impulse.

In the decade of post-war prosperity this impulse was stimulated by the inclusion in the family budget of new items of luxury and convenience, such as automobiles, radios, electrical refrigerators, washing machines, and a variety of other labor-saving devices. The inventive spirit is needed again and

"Here's hoping his honor gives you
a million dollars worth of good news"



THE attorney for the defense had paused a moment to chat with a friend.

"If the decision should happen to be unfavorable," inquired the friend, "wouldn't that be rather a hard blow for your clients?"

"Well, it would not be exactly pleasant," smiled the defense attorney, "but it will certainly not be a fatal blow. You see, my clients at the outset took the conservative position of presuming the case to be lost. In other words, they have set aside a million dollars in sound, liquid investments, which will amply cover the worst that might happen."

Whether you desire to make provisions

for needs which can be definitely foreseen, or for the many needs which stand more or less in the realm of possibility or probability, this can best be done in only one way—by means of sound and well-designed financial reserves. The problem of insuring maximum safety and stability, of obtaining a satisfactory rate of return and of keeping the reserve capital invested in such a way as to meet whatever needs or contingencies may arise—this is a problem on which we are in a position to offer experienced counsel to corporations.

A request, on your business letterhead, will bring our booklet, "Business Reserves."

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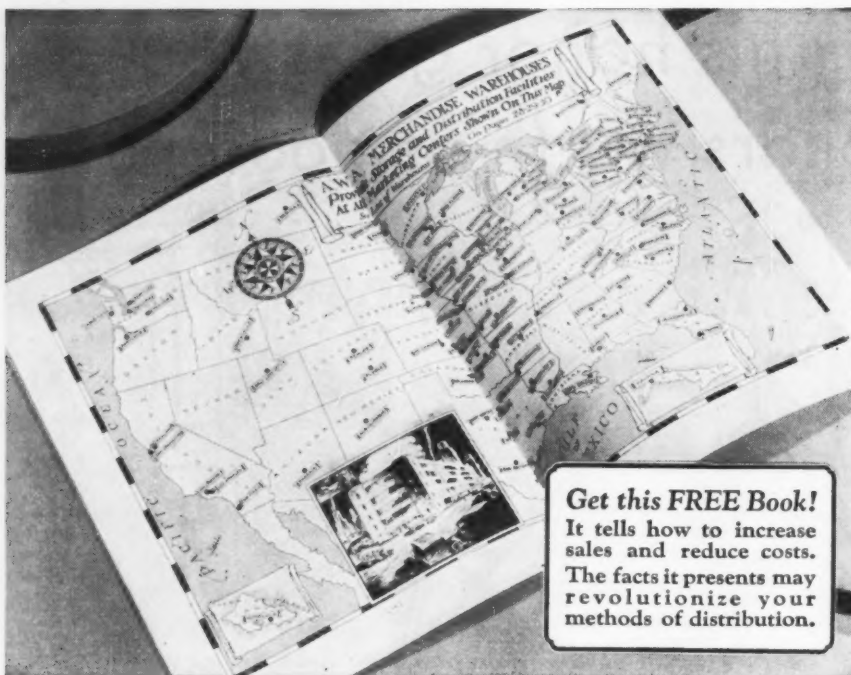


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We will receive your merchandise in carload or less-than-carload lots... store it for you at our member warehouses in any of 126 cities throughout the United States, Canada, Cuba, Hawaii... and will then distribute your goods for you as you wish.

We will receive orders from your head office, your salesmen or your customers... assemble from stock, pack, mark and ship your goods on the day the order is received... using your name as shipper to preserve your identity with your customers. If you wish, we will make "store door delivery" in any or all of our 126 cities and their suburbs... and arrange for store door delivery in the smaller towns of our respective trade terri-

tories. Your representatives may even use our warehouse offices for receiving mail and telephone calls, if you wish!

We will report all shipments or deliveries of your merchandise on the day they are made; and follow it at the close of each month's business with a stock report. If you furnish a list of your customers whose requisitions are to be honored direct, we can save days of time in filling orders.

Important Freight Savings

And wherever you are now shipping your goods in less-than-carload lots, we can help you arrange for carload shipments to a central market... then break up your carloads into smaller lots for reshipment a short distance to final destination. Your saving in freight will be large and you will speed up delivery by days or weeks.

This is the sort of thing our member warehouses are doing every day of the year for Beech-Nut, Bon Ami, Borden, Carnation Milk, Colgate, Comet Rice, Karo, Mazola, Argo, Linit, Flit, Vacuum Oil, Federal Match, Kotex, Hoover Sweeper, Lux, Rinso, Lifebuoy Soap, Mellin's Food, Ivory Soap, Postum, Quaker Oats, Tanglefoot, Vick's Vapo-Rub... and thousands of other products, made by manufacturers large and small. These nationally-known distributors have successfully used our services for years to distribute their products economically. Possibly the same plan of distribution will help you! We invite you to investigate.

Our booklet tells all about it. Send today for your free copy.



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doubtless it will come through and contribute to a new balance between production and consumption.

I believe also that another major impulse toward prosperity can result from making available to the submerged economic classes the products which in the past only the more affluent could afford. This process of abolishing poverty will be hastened not only by a continuation in the tendency to raise wages but also by a further reduction of the costs of products with the elimination of waste and the development of a higher efficiency.

UNTIL the recent cycle of disillusionment in Wall Street, in which the public discovered that it could lose money in even the best stocks if it had overextended itself, blue-sky stocks were unable to withstand the competition of the blue chips. But since the panic, fraudulent promoters have renewed their hopes, relying on the argument that their wares offered the public, which had lost in the market, an opportunity to recoup.

James C. Auchincloss, who is a governor of the New York Stock Exchange and president of the Better Business Bureau of New York City, in commenting on this situation, pointed out:

"Fakers closely parallel tendencies in legitimate finance, seeking to capitalize current whims and preferences of security buyers. Before the crash in prices last fall, the public was to a greater extent than ever before attracted to common stocks of the highest grade. They sought to find an El Dorado in blue-chip stocks, which tended for a time to divert attention away from promotion issues of a questionable character.

"As a result of excesses, amateur marginal speculators who overextended themselves suffered substantial losses, and shrewd charlatans sought to capitalize the situation. They exploited the failure of the inexperienced to distinguish between losses resulting from unwise selection of risks, and losses resulting from fraud."

SINCE the Wall Street debacle there have been numerous quiet realignments of the personnel in the great banks and banking houses. Without fanfare or publicity there has been a redistribution of power in some institutions.

A partner of one investment banking house who rose like a rocket, is now said to answer the telephone himself.

A famous bank president has told his intimate friends that he and his associates are older men since the panic and

that he believes the institution is now being better managed than ever before.

A YOUNG self-made man was recently admitted to partnership in an important private banking firm. In view of the promotion, his brother, an insurance agent, thought that the young man was a prospect for more life insurance. Accordingly, he continually telephoned to the banker but was always told by his secretary that he was in conference.

The alert agent finally called up during the noon hour, when the secretary was away, and got his brother on the wire, saying, "This is Mac."

The banker, evidently desiring to high-hat his brother, pretended not to get the name.

Finally in despair the insurance agent said:

"This is Mac. Don't you remember me? I met you at your father's house."

CUBA, which I recently visited, is a laboratory of the adjustments which other countries are making to high-tariff policies. Cuba economically was set up on a free-trade basis. It specialized almost exclusively in sugar production, devoting only a minor portion of its energies to other products, notably tobacco. It was built up in accordance with the doctrine of free trade, under which various parts of the world specialized in the activity for which they are best fitted.

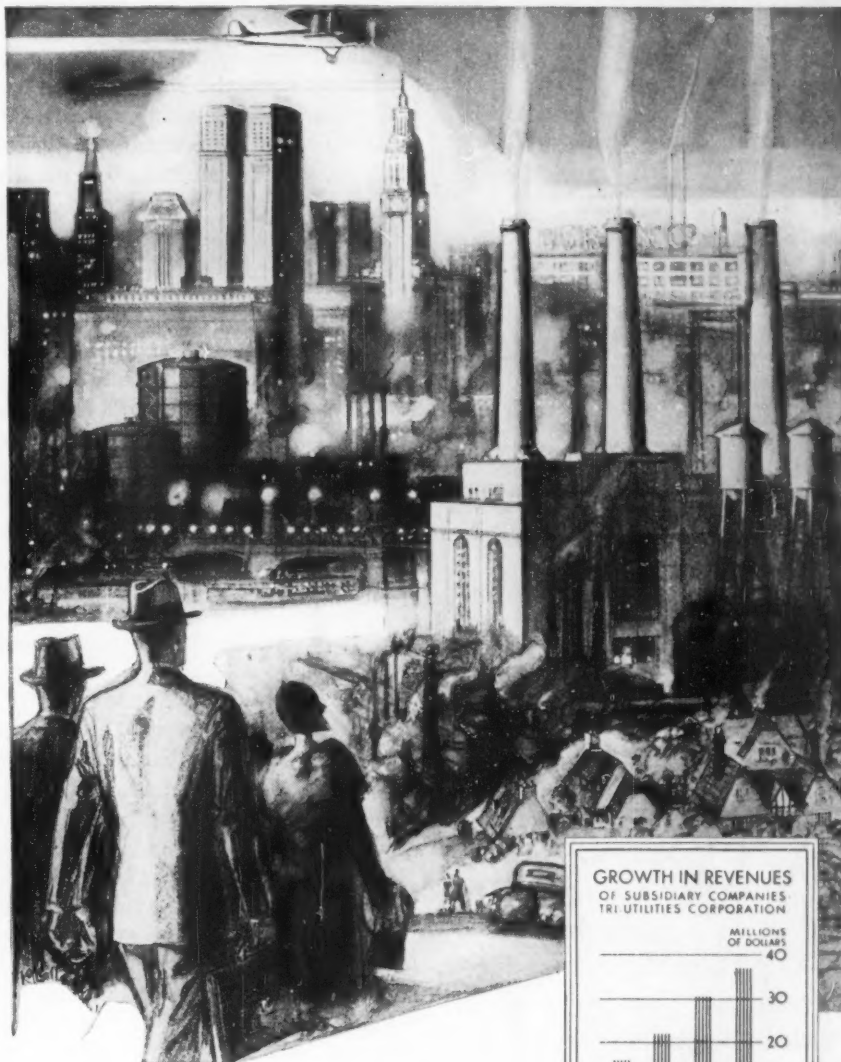
But at length Cuba learned that it is not living in a free-trade world but in a highly protected one, and under the leadership of President Machado, Cuba, spurred on by the increased American tariff against sugar, has undertaken to revolutionize national economy and to learn how to play the protective tariff game.

Accordingly, it is rapidly moving away from the status of putting all its eggs in one basket—sugar. It has started to diversify crops and to develop industry.

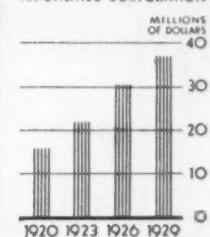
One purpose is radically to reduce imports, and this means primarily imports from the United States.

Outside of Havana the model industrial city, called General Machado, has been set up out of the private funds of the President of the Republic and his friends. The purpose of the experiment is to demonstrate to Cubans that it would be feasible to start their own industries. Already a paint and varnish plant and a shoe factory are being

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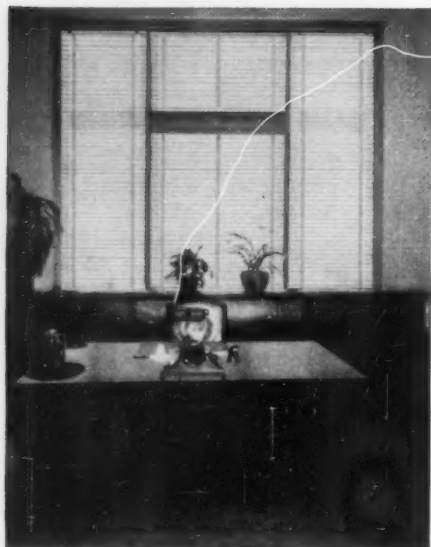
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profitably operated. Cuba is dreaming of economic self-sufficiency and has already made a substantial start in raising its own foodstuffs. For example, it has cut down the importation of eggs from 13,000,000 dozen a year to 1,000,000 dozen and the Secretary of Agriculture—Doctor E. Molinet—told me that before long Cuba expected to be exporting eggs. It is already exporting beans, potatoes and tomatoes to the United States.

Of course, the real fight on sugar is not between Havana and Washington, on the tariff question, but between Cuba and Java. Java has a natural market in the East by virtue of its geographical location. Likewise Cuba has a natural market in the United States not only by virtue of its proximity to the mainland but also on account of the tariff differential in its favor. But there is a surplus production in Java and Cuba over what is needed for exports to the natural markets. This surplus flows to Europe, where world prices are made.

Competition is intensified by the fact that sugar growers of Europe also have a surplus which they are willing to dump, because they make a good profit in their protected home markets. Sugar prices are low because of world-wide overproduction. Cuba undertook for three years to limit its own crop in order to balance production against consumption, but this was unavailing inasmuch as other sugar-producing countries took advantage of this reduction in order to increase their own production.

To meet this situation, President Machado sent Señor Tarafa on a mission two and a half years ago to request all the sugar-producing countries to cut down their production proportionately.

All except Java agreed to do this. The people of Java welcomed the period of intense competition, believing that they were the most efficient producers and would have most to gain from a prolonged economic battle.

Unlike the Cubans, who had their dance of the millions during and after the war when sugar prices were inflated, Java under the leadership of canny Dutch financiers used the temporary prosperity as a means of getting their sugar companies out of debt and putting them in a strong position to withstand a long period of low prices.

FINANCIERS and lawyers are to fuse their knowledge and experience at a summer symposium at Columbia University during the months of July

and August. The subject of the discussions will be "Law and Practice of the Public Security Markets." The meeting will begin July 7 and end August 15.

Membership in the symposium is open to law students of advanced grade, lawyers, bankers, and men engaged in the practice of finance.

The dean of the Columbia Law School said:

"This symposium, believed to be the first of its kind ever undertaken, proceeds on the theory that the stock market has long since ceased to be a merely speculative meeting; that it supplies the yardstick of values for a very large proportion of the industrial property of the country, and the basis for a national credit structure; that the appraisal of securities in open-market fluctuations, the issue of information affecting such values, and the possibility of their manipulation have become matters of public concern on which the law must take account."

THE New York Stock Exchange has tightened its rules affecting customers' men. To turn business seekers into idealists is perhaps an impossible task. Customers' men thrive on the foibles of the public.

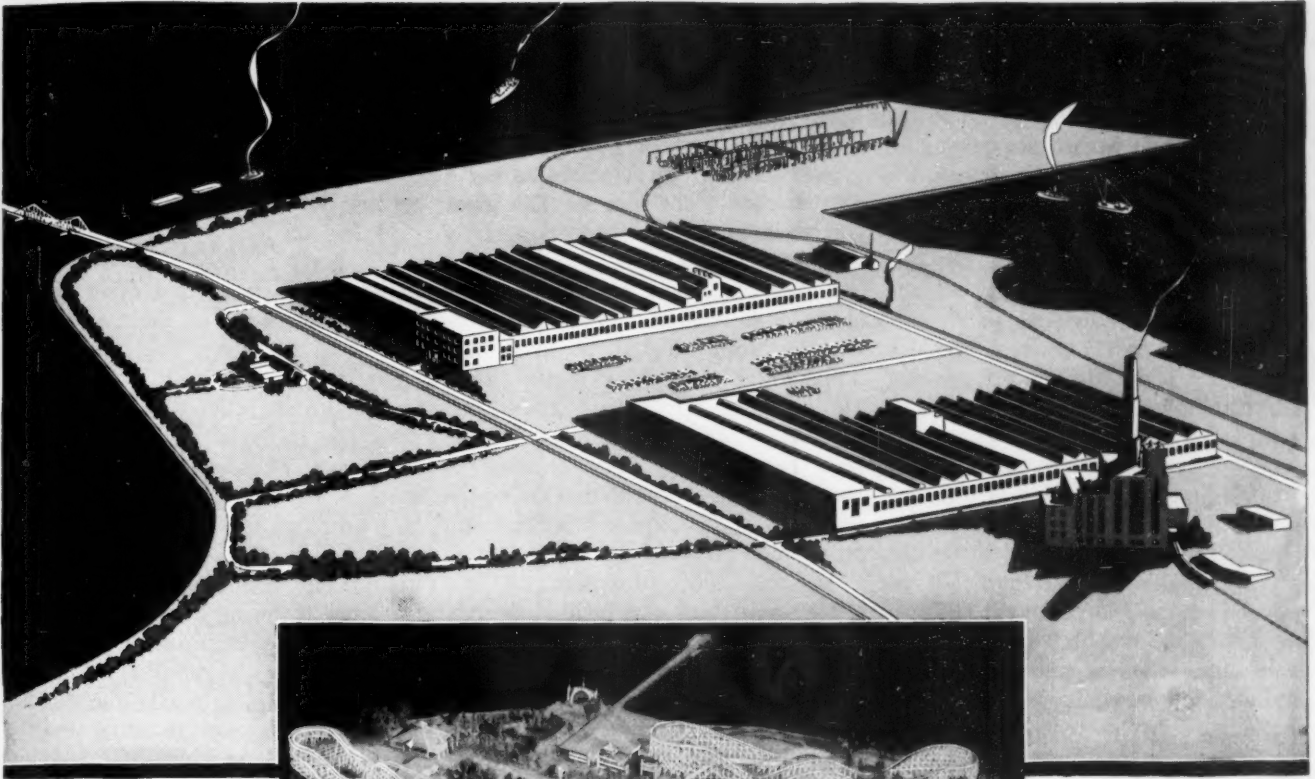
If the business of the Stock Exchange were confined to temperate investment purchases, liquidation would shrink considerably and the entourage surrounding brokerage offices would have to be deflated.

THE latter part of the spring speculative activity was restrained by the desire to wait until the reparations financing was accomplished and to see what action would be undertaken by the Senate on the arms-limitation treaty. In business these weeks constituted an in-between period and many traders were waiting to find just which way the cat of prosperity would jump.

Senatorial inquisitiveness, especially the Glass resolution to investigate banking and the Couzens resolution to postpone all except harmless railroad mergers until March 4 next, has heightened the spirit of hesitation which has prevailed in the business world in recent months. It would ask for a moratorium on interference and meddling at least until the prosperity phase of the next business cycle is attained.

In confidential chats, leading Wall Street financiers have indicated that they considered the Glass resolution a deterrent to venturesomeness and a barrier on forward moving plans.

On Baltimore's water front . . .



Eighteen months ago, Point Breeze on Baltimore's water front, was occupied by an amusement resort. Today, 65 acres of land have been added and three great units of the new Point Breeze Works of Western Electric already are in operation—designed and built by Ferguson Engineers.



Each month, 8,000 of the country's leading executives are reading the Ferguson Cross Section—a magazine dealing with timely engineering and business topics. A request on your letterhead will bring it to you gratis.

IN the early stages of every large industrial project like this there are important questions which must be answered.

"How much will it cost for buildings, equipment, power facilities?" "Is our plan economically sound?" "Is our location right?" "How soon can we start production?"

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The Secret of Being Rich and Happy

(Continued from page 41)

ress. More and more, as we escape from home cooking, home will become a loved convenience instead of a combination abattoir and workhouse. There is, he thinks, a great chance for those who can think up new things to do to the home. Men and women are gaining an increasing leisure for reading, music, the theater and the finer things of life.

"The trend of business proves this. Life is becoming simpler each day. Just as business men are ironing out the wrinkles for the individual, so are corporations getting rid of waste motions and duplications. Mergers are growing larger and more scientific, and methods more exact."

Visions bigger corporations

HE would not be surprised to see the day when all affiliated lines will be grouped in single corporations. His own experience inclines him to believe this is feasible. When he managed a small business he worked hard to watch all the spigots. As his business expanded the demands on his time decreased. Now that he has taken in his fifteenth company he anticipates so much leisure that he will be compelled to find some new outlet for his energies. He can see no reason why increased efficiency should not accompany expansion.

"We must not be frightened by the word 'bigness'. Every one will gain by it."

I registered my first protest. "The young man will not have the chance of success as the submerged employee of a huge corporation that he had when he started with nothing and built up his own business."

"He will have a better chance. The individual in business pursues an uneconomic road to success. He is handicapped by the diffusion of his energies. He must know a good deal and do a good deal of a dozen lines. The young man of today takes a short cut. He becomes a specialist in the line that most interests him. He is not called on to work as blindly or as hard as I did when I began."

"What's more," said Samuel Slotkin, "he wouldn't."

In Slotkin's theory that is a compliment to the clever young man of today. I think that in Slotkin's practice it

is a slam. He thinks today's young man is lazy. He lacks the grit and determination that his elders were compelled to show before they could succeed.

"We had to learn everything from sweeping out to selling. We wasted time discovering our especial fitness. Today's young man reads a book. With the growth of larger corporations he has a greater chance for success. The great companies hunt for nothing so earnestly as for fine young men."

Slotkin came over from Russia as a child. He determined to become an artist. His brother had a job in Buffalo and therefore Samuel had a meal ticket. He joined the brother and studied art. He still paints when he has time. He buys pictures. He is an amateur of the camera and he loves and knows the opera. But his creative faculties are centered on prepared meats.

"I wasn't much of a painter."

He was enough of a painter, though, to get a job. Some one determined to interest Buffalo in art and rented a store with a show window. Young Slotkin, in a smock and a beret, was set to painting landscapes in the show window. Buffalonians paused to admire and some to buy.

"Some of Whistler's works went for a quarter," said the salesman. "Try to get them now!"

The job paid Samuel Slotkin five dollars a week, paints and canvas furnished, and a bright future burgeoned. Then he got into talk with the salesman one night.

When art came up short

"THEY paid me five dollars a week for painting 'em," he relates, "but they paid that salesman \$25 for selling 'em."

The discrepancy did not irritate him. He realized that his works could have no economic standing unless they were sold. The salesman sold them. He was easily worth five times as much as the creative artist. He also saw that he, Slotkin, was on the wrong end.

"I determined to quit painting and go to selling," said he.

For a time he worked in a New York packing house. His job began at two o'clock in the morning. Until six p.m. he toted halves of beef on his shoulders. He is a short, stout, square, immensely powerful man and he liked the job.

Having no spare time he could not spend much of his \$15 a week. Presently he moved to other jobs. He learned something in every department and met men who had saved a little money. When the money he had saved, put to the money he was able to borrow, amounted to \$15,000 he bought a Harlem butcher shop in which the proprietor had not been flourishing.

"I had an idea."

His partner ran the shop. Slotkin prepared the meats and other delicacies. Then he went on the road to find grocers to sell them. The hour of the emancipation of woman had not yet struck. Grocers believed that a woman's place was in the home, preferably stirring something in a kettle. Slotkin often spent a week on a prospect but when he got through that grocer had a Slotkin show case in his store and was a fervid lecturer on the Slotkin products. There is no use following the history. It has, in fact, already been told.

The changing American diet

NOW I'll call the United Cigar Company to support Slotkin's major premises.

For 20 years Roy S. Hubbell has been a hotel man in New York. He looks back to the days when the Fifth Avenue hotel was the delight of the American diner-out. We ran to large platters and lots of them. Steaks were larger, oysters heavier, tomatoes redder in those days. We lived on the American plan and our arteries burst with it. Then the popular taste began to change.

Hotel bills of fare continued to look like extra editions but their proprietors grew haggard. The diners demanded lighter dishes more fastidiously served. Then the wiser heads discovered that the trend was toward the *à la carte* bill and the restaurant. Frenchmen only knew how to operate restaurants.

"The Frenchmen were imported," remarks Mr. Hubbell. "They brought their chefs because they could not talk to American cooks. For years French cookery ruled in our public kitchens."

Brave spirits broke through the Gallic barrage with pies and flapjacks and ham-and-eggs but for years the prevailing tone was continental. Then came the war and prohibition and the replacing of the saloon by soft-drink places.

Mark that the wise business man gives his customer what he wants before he knows it. The soft-drink merchants began to put in little tables and serve sandwiches.

Along came the tea room staffed by women. They helped to wean the public from French cookery because they only knew how to cook home style. Chicken Maryland replaced *poulet à la reine*. Enter the United Cigar Company.

Perhaps it was the war. Perhaps it is only that American tastes have changed. In either event the sale of cigars began to drop off and that of cigarettes mounted. The profits on cigarettes are negligible as compared to cigars and the United Cigar Company saw that something had to be done. Two chains of candy stores were purchased.

"Give the customer what he wants before he knows—"

Drug stores were bought and soda fountains made bigger and brighter. Sandwich specialists went to work.

The United Cigar Company began to plan sandwich counters for the cigar stores strategically located. Restaurants were purchased and the menu simplified. Male waiters were given a chance to get into some outdoor business. Neatly garbed girls replaced them.

Saying it with smiles

MANY restaurant patrons live in hall bedrooms and have about the same social contacts that St. Simeon Stylites had. Therefore pretty hostesses met them at the door and said good morning. They said little else. The taboo on extended conversation is rigid. But business began to mount right away. The customer had not known that he wanted a smile with his meals but when he got it he liked it. An orchestra provided dance music for his entertainment.

An effort was made to tune into the greater simplicity of modern times and I make snoots at those who say we are getting more complex. The most intricate thing I know would be to live as my grandfolks did. Grandfather faced a fresh problem at each turn each day, from the moment he uncovered the embers until grandmother laid a coal oil poultice at midnight on some croupy chest. If he ever had any spare time he spent it in thinking what to do next.

Come to think of it, there's a moral with which to end this. A by-product of the story, in a way. Not only do these people of big business try to discover the customer's tastes before he knows he has them. They also know that there is nothing for which he will pay a higher rate than for more spare time.

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The 4th at Lido

"No finer 2-shot hole in golf"



"EVEN in calm weather which is rare," says the Lido Club Champion, "the 'Furious Fourth' requires length and finesse from tee to green. As the plan shows, there's water, water everywhere and plenty of wire-like grass growing in the sand that flanks the fairway.

"Here's how I try to play it. If I have a following wind, I attempt to reach the small patch of fairway (B) with my drive. (This oasis is only 100 yards long and 30 yards in width.) If the drive is 'short', i. e., of less than 200 yards carry over the water and sand, you are knee high deep in eel grass. A perfect second from (B), with long iron or wood, will carry the final water and sand hazards to the elevated fairway in front of the green or to the green itself (C) for a possible and rare birdie.

"If the wind is at you, the only logical way is to go the long, long trail around to the left. The good tee shot will come to rest near position (1) and a screaming second will clear the depths to (2) calling for a well placed third to the carpet."

The 4th at Lido—505 yards, par 5. The Lido course is situated at Long Beach, Long Island, N.Y. It is one of the world's great golf courses.

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**SAFE GUARD
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LANSDALE PENNSYLVANIA

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Thomas Alva Edison, Worker

(Continued from page 17)

thing everybody else knows and begin where they leave off."

If he wants to investigate rubber, he sends for every available book and pamphlet on rubber. Then he goes through them all, not only with an incredible thoroughness but with an incredible rapidity of research.

And the research is supplemented by endless, inexhaustible, ever varied experiment. There are those whose minds are immensely active, but the activity does not extend to their fingers, which are dull and wooden and inert. Not so Edison. He is not only always thinking things, he is always trying them, practically. Whenever his fertile imagination suggests a mechanical possibility, he wants to see how it will work. The accounts of this vast habit of experimenting are almost unbelievable.

When he has some end to attain, he keeps at it, day after day, year after year, always varying his approach, pushing, thrusting, delving ever deeper and more subtly into the curious secrets which nature seems to have placed a little beyond his reach. It is said that there are hundreds of notebooks preserved in the laboratory recording the history of all this experimenting and showing in some cases, as notably with the electric light, many thousands of efforts that led to no positive result whatever.

Works almost perpetually

OBVIOUSLY such vast work cannot be accomplished without an enduring habit of labor and a constitutional industry. These traits in Edison are almost more impressive than even his original genius. Certainly, as we have seen, he himself is more inclined to emphasize the importance of them. From his earliest days he was a worker, worked perpetually at something, and if it was not precisely what he wanted to do, it might at least work at something else. As his own motto puts it, "Everything comes to him who hustles while he waits."

When you read the account of his working methods, it seems as if the most robust, magnificent health must be indispensable for them. It does not appear that in his youth he was especially vigorous; but either his moderate and abstemious habits of living, or his theory of the healthfulness of work without worry, seem to have prof-

ited him and produced an almost iron physique, able to endure fatigue and strain which would shatter and ruin the constitutions of many men completely. He himself said in more advanced life:

"For 15 years I have worked on an average 20 hours a day."

Works with little sleep

THE most phenomenal thing about all this is the treatment of sleep. A good many men can do a vast deal of work if they can have their regular seven or eight hours sleep in a comfortable bed at night. Edison laughs at any such luxury as this:

"Lack of sleep never hurt any one," he says.

If he can have four or five hours a night on an average, he can get along for months. When some particularly difficult problem has got possession of him, he has been known to go without sleep almost entirely for several days at a time. Then he will go to bed and sleep perhaps 20 or 30 hours, until the nervous equilibrium is completely restored. He not only sleeps any time, he sleeps anywhere. A comfortable bed seems to him a rather enervating luxury. When he feels the need of sleep, he drops down on a bench, or a desk, or a pile of books.

With this extraordinary capacity for labor goes an equally impressive endowment of patience. The first requisite in accomplishing work like Edison's is to know how to wait. Nature never hurries, neither does Edison, though at times he may have a manifest immense desire to attain his end. The end can be reached only by letting things take their course, and no one knows this better than he.

Persistence most important

NOT only must there be passive patience, there must be a tireless persistence. Nothing is more energetically emphasized and repeated by Edison than this quality of sticking to it:

"In working out an invention the most important quality is persistence. Nearly every man who develops a new idea works it up to a point where it looks impossible and then he gets discouraged. That's not the place to get discouraged, that's the place to get interested. Hard work and forever stick-

ing to a thing until it's done are the main things an inventor needs."

It is just on this point of discouragement that Edison is perhaps most spiritually interesting. In such a prolonged career of experiment, of effort and trial of all sorts, there must have been, there have been, innumerable difficulties, obstacles, failures, mistakes. Long researches, faithfully and patiently pursued, over and over again lead to nothing.

The wonder is in Edison's extraordinary enduring optimism through it all. In general the tone is that of disregarding failure altogether, or using it only as a lesson of what to avoid in the future. Perhaps the most notable of his disappointments was in regard to the crushing of iron ore. After spending years and thousands of dollars over this, he found that other conditions had spoiled his market and the work and the investment had to be abandoned. Yet he saw it all go without a sigh and his only, cheerful, comment was:

"Well, it's all gone, but we had a hell of a good time spending it."

And if there was a constitutional disregard of failure, there was certainly a constitutional enjoyment and appreciation of success. After literally thousands of experiments, fruitless, balked, vain, and leading nowhere, to reach your aim, to come at last to the result that you had had in mind for years and that perhaps others had declared impossible, the triumph of it was immense and exquisite. What a satisfaction, what an elation, breathes and gleams through such dry, veracious phrases of record as the following:

"Brought up lamp higher than a 16-c. p. 240 was ever brought before—hurrah!"

Years to produce a light

AND this shows still more in the assistant, Bachelor's, story of the final achievement of the incandescent light, after years of apparently fruitless effort.

"It was late in the afternoon before we had produced another carbon, which was again broken by a jeweller's screw-driver falling against it. But we turned back again, and before night the carbon was inserted in the lamp. The bulb was exhausted of air and sealed, the current turned on, and the sight we had so long desired to see met our eyes."

These are moments in life that really count.

A second article by Mr. Bradford on Thomas Edison will be published in an early issue of *Nation's Business*.



"Getting Around To It"

EVERY manufacturer can name plant, personnel and production features of his business that could be changed for the better. Planning the better way takes time. Making the changes takes time. "Getting around to it" is even more expensive in delays. Where in your organization can the necessary man-hours and brain-hours come from?

Our organization can "get around to it" immediately . . . help you quickly to save time and increase net profits through better use of your company's present equipment for management, production and distribution. Let us send you our booklet, "*When We're Through Changing, We're Through.*"

MacDonald Bros.

INC.

ENGINEERS

140 Federal Street

551 Fifth Ave.
NEW YORK, N. Y.

BOSTON

310 S. Michigan Ave.
CHICAGO, ILL.

Massachusetts

1623 Euclid Ave.
CLEVELAND, OHIO

212 South Tyron St.
CHARLOTTE, N. C.



Use the
**Double
Measure**
on Your Insurance

Whatever you buy, two considerations invariably enter into the purchase—quality and price. Sometimes price wins; sometimes it's quality at any cost. In insurance, quality is everything—demand it above all, but be fair to yourself in the matter of cost.

CENTRAL policies, since 1876, have offered a protection of unquestioned quality, fair adjustments and prompt payment of losses. Since 1921 CENTRAL'S dividend of 30% has actually reduced insurance cost almost one-third. The careful buyer, using the double measure, usually chooses CENTRAL Insurance.

CENTRAL policies are written through local agents. Full information, with name of nearest representative, on request.



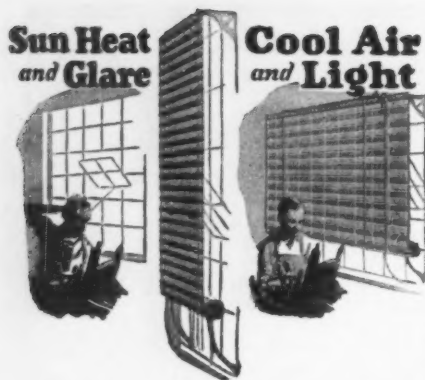
Organized
1876

The CENTRAL

A Friendly
Company

MANUFACTURERS MUTUAL INSURANCE COMPANY
VAN WERT, OHIO

Fire, Automobile and Tornado Insurance for Select Risks



RA-TOX Shades keep out sun-glare and heat, but admit from 30% to 40% more light and air than ordinary shades. They reduce room temperature from 10 to 20 degrees—ventilate without drafts—allow for independent operation of center-swing ventilators in steel sash. Made of attractively colored, permanently stained, or aluminum finished, wood strips woven parallel. They are practically wear-proof and will serve you for twenty years or more. Brackets and fixtures that perfectly adapt this shade to all types of sash have been developed.

Send measurements for complete information and estimate

Hough Shade Corporation

(Industrial Division)

154 N. La Salle Street, Chicago, Illinois

RA-TOX

OFFSET WOOD FABRIC
SHADES for INDUSTRIAL
SASH —

HOUGH SHADE CORPORATION
154 N. La Salle St., Chicago, Ill.

Send complete RA-TOX details at once.

Name _____ City _____
Address _____ State _____
Individual _____
☐ Steel Sash ☐ Wood Sash



Better Drinking "Bubblers"

Regardless of the service—the R-S Drinking Fountains provide 100% bubbler efficiency with an added feature! The R-S Drinking Fountain has a Vertico-Slant feature which does not allow the water to fall back on the jet. Consequently every drink is a sanitary one. Send for catalog describing R-S fountains.

RUNDLE-SPENCE MFG. CO.

76 Fourth Street, Milwaukee, Wis.

News of Organized Business

By Willard L. Hammer

Financing Associations

"FINANCING a Trade Association" is a recent pamphlet from the Trade Association Department of the Chamber of Commerce of the United States. It explains the different methods of more than 300 trade associations in collecting dues.

Accounting, expense control, and budgets are also given consideration. Last, but not least, is suggested a standard classification of expense accounts. It was found advisable to include this inasmuch as most of the accounts submitted were classified so differently that an accurate comparison was impossible. Adoption of the standard classification system would permit quick and accurate comparisons of the expense accounts of various associations throughout the country.

A Study of Social Agencies

THE Civic Development Department of the Chamber of Commerce of the United States has recently made a special report on "Social Agencies and the

Community." This briefly discusses governmental participation in various kinds of social work, coordination of private agencies through community chests and federations, and organizations of four typical federations and community chests.

We believe that "Social Agencies and the Community" will prove of interest and value to those interested or engaged in such work.

Pan American Trade Group

A PAN American Reciprocal Trade Conference, sponsored by the Sacramento Region Citizens Council, will be held in Sacramento, California, August 25 to 30.

From August 11 to 23, for two weeks prior to the Conference, the delegates will be taken on a tour of the State to observe agricultural, industrial, and educational practices.

Immediately upon adjournment of the Pan American Trade Conference the delegates will become guests of the California State Agricultural and Industrial Exposition.

Where Business Will Meet in July

(From information available June 6)

1	Manufacturers Aircraft Association	New York	
1	Northwestern Shoe Travelers Association	Minneapolis	
7	International Baby Chick Association	Detroit	Book-Cadillac Hotel
7	Pacific Coast Gift and Art Association	San Francisco	Palace Hotel
7	Pacific Coast Lumber Surveyors Association	San Francisco	
7-8	National Hay Association	Columbus	
7-9	Engraved Stationery Manufacturers Association	Buffalo	
8	Mid-West Shippers Advisory Board	Rockford, Ill.	
9-11	Pacific Coast Association of Nurserymen	San Francisco	St. Francis Hotel
12	Associated Marble Manufacturers	St. Louis	Statler Hotel
12	Special Agents Association of the Pacific Northwest	Chehalis, Wash.	St. Helen's Hotel
14	American Glassware Manufacturers	Toronto, Canada	
14	Illinois Valley Manufacturers Club	La Salle, Ill.	
14-15	Association of Jewelers, Engravers and Stationers to Schools & Colleges	Atlantic City, N. J.	
15-16	Wisconsin-Upper Michigan Florists Association	Marshfield, Wis.	
15-17	Exclusive Distributors Association	Milwaukee	
15-20	Northwestern Furniture Manufacturers and Jobbers Association	Tacoma, Wash.	
16	New River Coal Operators Association	Mt. Hope, W. Va.	White Oak Country Club
17	Southern Association of Car Service Officers	Mobile	
17-18	Central Electric Railway Association	Cedar Point, Ohio	
17-18	Heavy Hardware Jobbers National Assn.	Madison	
19	Central States Association of Photo Engravers	New York	Commodore Hotel
21	National Wall Paper Wholesalers	New York	Commodore Hotel
21	Wall Paper Association of the United States	Great Falls, Mont.	
21-22	Rocky Mountain Druggists Council	Yellowstone Park, Wyo.	Canyon Hotel
21-22	Rocky Mountain Outdoor Advertising Association	Milwaukee	Milwaukee Aud.
21-25	Photographers Association of America	High Point, N. C.	
21-Aug. 2	Southern Furniture Market Association	Boston	Copley Plaza Hotel
22-24	National Association of Supervisors of State Banks	Toronto, Canada	Royal York Hotel
22-25	Associated Sign Contractors of North America	Atlantic City	Traymore Hotel
29-30	National Syrup and Molasses Association	Grand Rapids	Pantlind Hotel
29-31	United States Building and Loan League		

What Group Advertising Offers

(Continued from page 46)

against an industry. An example in point is the present program of the Laundryowners National Association. The laundry had been fair game for every humorous magazine, comic-strip artist and vaudeville comedian in the country. The laundry owner found a wall of opposition when he went in quest of new business. One advertisement or half a dozen could not be expected to counteract this prejudice. Four years is none too long a time to revolutionize the wash-day habits of a large percentage of our population!

So the laundry owners banded together, subscribed \$5,250,000 for a four-year cycle, and in 1927 the campaign opened. The first advertising was built around a contest, with enticing awards for the best letters on, "Why I Should Let the Laundry Do My Washing."

In response to this series, 1,043,000 letters were received. A million and more contest entrants meant that several times that number knew of the contest, thought about it and perhaps intended to enter. From a response angle, therefore, the opening of this campaign could be adjudged a success.

But what about the permanent value of such a response? Could the advertising which followed, hold these entrants and their friends and neighbors? Could such a campaign actually change buying habits? We proposed to find out.

Laundries showed gains

EARLY in 1929, an impartial survey was made among laundry owners subscribing to the campaign, to determine their volume for the last six months of 1928 as compared with the similar period a year previous. Estimates were obtained from laundries in 46 states and eight provinces of Canada. A total of 922 laundries gave an excellent cross-section of the industry, the actual number of subscribing laundries being about 3,600. Eighty-two per cent of the reporting subscribers declared that their business had shown gains, some as high as 200 per cent. Gains of 40 and 50 per cent were not uncommon, although the bulk of the increases ranged from 5 to 15 per cent. Nine per cent of those who replied said that business had remained stationary, and approximately the same number reported a loss in volume. The average increase in the United States was 13.41 per cent and, in Canada,

15.79 per cent. Undoubtedly other factors than the advertising campaign affected these results. This is shown by the wide variation in volume gains and losses reported.

Quality of work, growth of the community, expansion policy, aggressiveness of route men, local advertising—all these entered into the picture. There was no way for us to put our finger on any one point and say, "This much of the increase is due to the national program."

Something to live up to

BUT on the other hand, much of the intensified local effort, the improvement in quality and other growth-factors were stimulated by the fact that the laundry was now in the spotlight and had to live up to what the public expected.

This survey brought out another interesting point which reflects the general experience of other cooperative advertisers. This was that the better grades of work showed the largest increases. More than 34 per cent of the subscribers said Finished Family Work showed the biggest gain. Less than 21 per cent named Damp or Wet Wash, and only 13 per cent Damp Wash—Flatwork Ironed.

In other words, the more expensive and more profitable classification received the lion's share of the newly created business. This indicated that the campaign was reaching those people able to buy what they wanted and that price was not the chief resistance factor. The campaign had in fact tapped a market where economy was not nearly so important as quality, convenience and dependability.

I look for a wide application of the survey idea to cooperative advertising—although its obvious limitations are acknowledged. With annual budgets attaining six and even seven figures, group advertisers are naturally keenly concerned over the productivity of their mutual investment.

The manufacturer doing a national business knows that if he is to maintain his leadership he must rely on national advertising. The retailer whose volume has grown to sizable proportions also must advertise or be smothered by his overhead. But there is no such urgency with regard to cooperative advertising. Participation is purely voluntary and if

SHAKEPROOF Lock Washers are saving Car Owners and Truck Buyers Thousands of Dollars!



Type 12, Internal For S. & E. and Standard Machine Screws



Type 11, External For Standard Bolts and Nuts



Type 15, Countersunk For all Countersunk Screws



Type 20, Locking Terminal For Radio and Electrical Work

U. S. Patents 1,419,564
1,504,122—1,597,954
Other patents pending.
Foreign patents.

DID you ever stop to appreciate what wonderful performance is now offered by many passenger cars and commercial trucks? One invention that has made this possible is the Shakeproof Lock Washer. It has proved to be such a tremendous benefit that the progressive members of the industry are putting Shakeproof Lock Washers under every nut and screw. This always means longer life—less servicing—fewer rattles and a real savings in actual dollars to the customer.

Shakeproof Lock Washers are used by hundreds of other industries, too. In fact, wherever a lock washer is needed you will find that Shakeproof will give greater protection than any other method. A test on your product will demonstrate its exceptional merits. Write for samples today!

P. S. to Buyers—Shakeproof equipped products will perform better—last longer and need less service. Write for list of users today!

SHAKEPROOF Lock Washer Company


(Division of Illinois Tool Works)
2537 NORTH KEELER AVENUE
CHICAGO, ILLINOIS



"It's the Twisted Teeth that Lock"

When writing please mention Nation's Business

It's steel Engraved



Experts will Modernize your Letterhead


The slight additional cost of a modern steel-engraved letterhead is so trifling—that the use of any other kind is really false economy. Our experts will submit designs and estimates without any obligation on your part.

E. A. Wright Company
Broad and Huntingdon
PHILADELPHIA PA.

58 YEARS OF CONTINUOUS SERVICE

Free

this 140Page Book of Record Keeping Forms



HERE'S a book that will help you with your record-keeping problems. Contains wide variety of life-size Bookkeeping forms completely filled in, illustrating uses. For office or factory—business or profession—it shows you simplest and most efficient methods of accounting now being used by 300,000 leading firms. Book sent **FREE** when requested on business stationery. No obligation!

JOHN C. MOORE CORP., Est. 1839
6077 Stone Street, Rochester, N. Y.

Merely Fill in Coupon and 140-page Book Will be Sent you **FREE**

Name _____
Business _____
City _____ State _____

REPRINTS of any article in this issue may be had at cost

Write **NATION'S BUSINESS**
WASHINGTON, D. C.

results are not definitely shown the elements within the industry may decide to go their separate ways knowing that the cooperative campaign may be dropped entirely without immediate disaster.

True, in the long run competitive conditions outside the industry may have the same results as would be felt by the individual manufacturer or retailer who stopped advertising, but that is a long-range view.

Recognizing the impossibility of citing exact figures as to the effectiveness of cooperative campaigns, we can, nevertheless, glean some information from the actions of associations which advertise when their appropriations come up for renewal. Thus we find the Association of American Soap and Glycerine Producers voting an increase of more than 100 per cent over its original three-year appropriation made in 1927. In the coming three years they will spend three million dollars.

Groups increase budgets

THE National Rice Association reports a 300 per cent increase in its 1930 budget to promote the use of rice as a food. The National Clean-Up and Paint-Up Campaign reports a 20 to 50 per cent increase over its previous budget. The Middle Atlantic Fisheries Association, marketing Long Island oysters in metropolitan New York, has increased its appropriation by 40 per cent, while the Cast Iron Pipe Research Association has a 10 per cent increase for 1930 over 1929. The Society of American Florists, which completed a four-year cycle in 1927 with a growth of 100 per cent in volume, renewed its cooperative program for another four years at just double the first cycle, the present program embracing a budget of \$1,600,000 for the period.

These examples establish that cooperative advertising can prove effective—for it is apparent that there would have been no renewal, let alone enlarged appropriations, if these associations had not been well sold on the fact that their campaigns were accomplishing the desired results.

Coming now to the problem of what types of cooperative advertising have proven most effective, we find two facts clearly established:

1. The campaign must be adequately financed to provide efficient coverage of the subscribers' market long enough to obtain desired results.
2. The campaign must embrace those same elements of advertising and merchandising which have been demonstrated as essential to any well planned

campaign by an individual advertiser.

Inadequate financing has been a stumbling-block for a number of basically sound group advertising efforts. A budget which twenty, or even ten, years ago would have dominated the public's attention today creates only a passing flurry. To command a hearing nowadays in the national market calls for heroic measures. I do not mean that an appropriation of several hundred thousand dollars annually is essential to successful national advertising—but I do insist that the budget for a cooperative account must be adequate to put the campaign on a footing somewhere near that of its rivals.

Coverage and continuity are familiar terms to any firm that advertises. But they have a little different application in the case of a cooperative program. Coverage involves getting the appeal not only into the existing market but also the potential market. In the case of a campaign supported by retailers or service organizations such as the laundry it also involves bringing the message into the subscribers' own communities. Continuity involves charting the campaign on a long-haul basis, recognizing that a shift in buying habits will not follow the appearance of the first magazine advertisement. This is why so many of today's outstanding cooperative campaigns have been planned on a three-, four- or five-year cycle with pledges or subscriptions made payable at annual or semi-annual intervals. This method permits sound development of the campaign policy and assures the sponsors that the program will be carried to its logical conclusion. Thus it becomes a guarantee of each subscriber's investment.

Certain principles to heed

GIVEN adequate financing, the successful cooperative effort is the one that embodies the known essentials of any advertising campaign in the national market. Details may differ, but the fundamentals remain the same.

Much has been written to prove that advertising can never be an exact science; and even the most enthusiastic practitioner of the trade or profession of advertising will grant that many of its supposedly basic truths have been upset from time to time by daring innovators. But there are certain principles the cooperative advertiser must heed.

Cooperative advertising must do an advertising job. It must, in other words, create a desire. Full pages headed with such titles as, "A Statement by the

An International CLEARING HOUSE For Invention For Industry

The outstanding original inventions of the world in practically any industry you may mention have come from the genius of the independent inventor.

Now a common agency has been established where the inventor may offer his patented genius, and where, on fair terms, a manufacturer may glean the ideas he can commercialize to the world, and thus build a greater business.

THE INVENTOR

is ever in need of the kind of analytical assistance and advice which will protect his brain-child and at the same time provide an organized intelligent medium whereby he will be able to locate the best possible market for his idea. He can save both time and expense by utilizing an organization which not only analyzes his idea, but is in intimate touch with every phase of industry and with the needs thereof. In other words, if there is really a market for his idea, it can be found.

If you have an invention which you firmly believe will benefit industry, we suggest that you write to us about it with a view to determining whether we can make our facilities helpful to you.

These facilities are international in scope and are designed to give the inventor access to virtually every market, actual or potential, throughout the leading nations and principalities of the world.



"Industrial Intelligence Service" is the title of a valuable booklet which we shall gladly send to any executive, operating official, or inventor upon request. Address Department "B."

INDUSTRIAL INTELLIGENCE SERVICE

CAMPBELL, PETERSON & COMPANY, INC.

84 William Street

New York City

When writing to CAMPBELL, PETERSON & COMPANY, INC. please mention Nation's Business

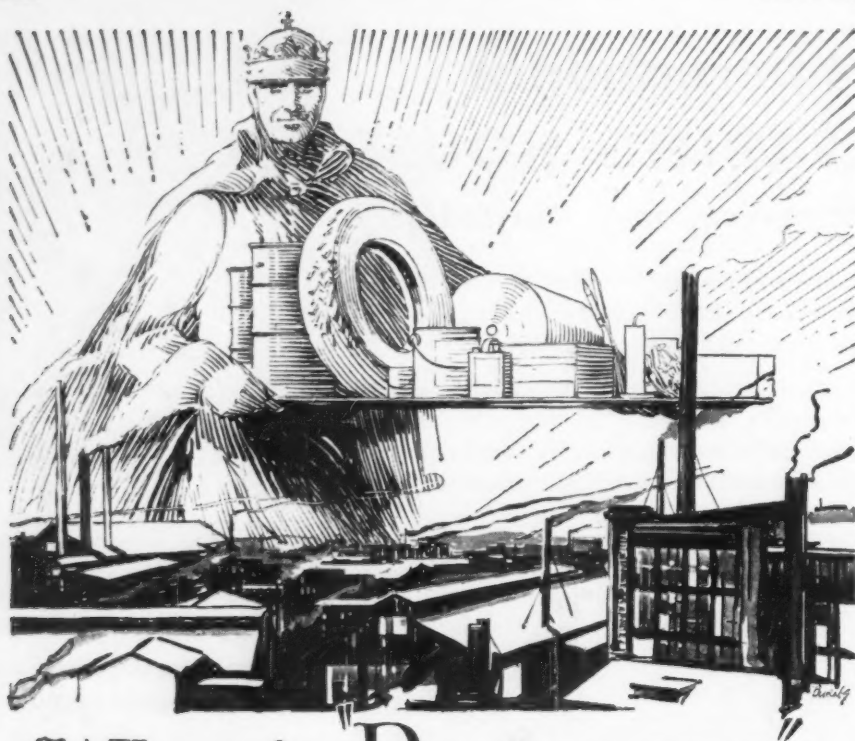
THE MANUFACTURER

Every business is largely dependent upon invention to provide for expansion or to protect against competition. The survival of a business or industry depends upon the timely recognition of this principle.

Through its world-wide affiliations, this service of Industrial Intelligence keeps in touch with the newest ideas, machines, devices and processes developed in the private laboratories and great technical institutions.

To this service we can accept but one subscriber from each division of industry. Subscribers have the first call on unappropriated patented or patentable inventions applicable to their particular manufacturing problems.

This keeps the manufacturer informed and up to date with respect to inventions or new processes and gives him the opportunity to secure the one he needs most.



What is BARYTES?

BARYTES is an important mineral used extensively in a great variety of compounds produced in the St. Louis District. More than half the entire output of Barytes in the whole United States is mined within sixty miles of St. Louis.

This exceedingly useful mineral is necessary in the manufacture of such diversified products as asbestos, blanc fixe, colors, explosives, fireworks, insulating material, lithopone, paints, paper, hydrogen-peroxide, printers' ink, rubber tires, tile, shade cloth, soap, ceramics and titanium pigments.

27 Raw Materials of the St. Louis District

Coal
Iron
Silica
Salt
Diaspore
China Clay
Lime
Fullers' Earth
Fluorspar
Asphalt
Oil
Phosphate
Copper
Gas
Sulphur
Bauxite
Zinc
Lead
Tripoli
Fire Clay
Rock Clay
Barytes
Chalk
Gypsum
Granite
Manganese
Marble

Barytes is only one among the 27 great mineral resources of this vicinity. Some require quantities of cheap electrical power for their profitable development, and here is an unlimited electrical supply. Water is of major importance to others, and here is the Mississippi River. Coal is the determining factor to others, and here is the world's greatest coal field.

A Vast Consuming Market Close By

To all these, the vast consuming market of 50,000,000 people within 500 miles is a tremendous advantage. Quick transportation in every direction, and low freight rates, make distribution easy and profitable from this central city.

Already these conditions have built up a huge Chemical Industry in St. Louis. Here, for the new chemical industries of tomorrow, is the ideal location. If your Company, or one in which you are interested, uses any of these raw materials—or products made therefrom—it would pay to learn more about Industrial St. Louis and its advantages. Write Dept C-4,

Industry, to the American Public"; have no more place in a co-operative program than anywhere else.

Drawing another leaf from the experience of individual advertisers, the cooperative campaign must complete the selling chain. The retailer's cooperation must not be left to chance. In one way or another, that chain must be linked together. Perhaps it will be by means of localized advertising, perhaps by window displays or posters or store identification, or a combination of several of these measures. Possibly the association will develop a staff of merchandising and sales promotion men for liaison purposes. Whatever the method adopted, it should fit the dealer into the picture.

No hard and fast rules

COPY and art vary so tremendously that it is impossible to lay down any hard and fast rules regarding their use in cooperative advertising—other than to say that here, as elsewhere, quality is indispensable. Tempted to cut corners, the cooperative advertiser should remember that the way his message is told determines the way it will be received.

One more point in conclusion—when is an industry ready for cooperative advertising? A certain school of thinkers contends that before an industry embarks upon such a program, it should first "clean house." This group maintains that unless every firm in the industry gets rid of its questionable practices and unless relations throughout the industry are 100 per cent open and above board, the campaign is doomed. My answer to that is that if an industry waits for the millennium to arrive, it will be lost in the shuffle. While certain practices may be cleaned up merely by internal pressure, the industry cannot afford to risk its position with the public by holding back its message until every difficulty is eliminated.

As a matter of fact, a cooperative campaign is the one best stimulus for bringing about just such a house cleaning. But the house cleaning can be brought about after the campaign starts, with much less effort and with more lasting results than before any advertising is done.

The advertising should make no statements that cannot be supported fully throughout the industry but the mere fact that the industry is in the public eye always stimulates its morale. Indeed this by-product of cooperative advertising, if it could be assayed in terms of capital gain, would often outweigh the entire campaign investment!

THE INDUSTRIAL BUREAU OF THE INDUSTRIAL CLUB
ST. LOUIS

When Trade Acquires World Vision

(Continued from page 50)

upon which American industry has built itself will be lost. If branch plants actually reduce the volume of production at the home plant by taking away part of the domestic market or eliminating part of the export market, this might be an actuality. On the other hand, if branch plants are mainly to hold trade which would be lost anyway, the effect is probably advantageous to the home plant since the branch will bring back to the home factory a certain volume of "parts" business which it would not otherwise obtain.

Of course, no American industry—if it has any business acumen—decides to establish a branch plant merely because wages in some foreign country may be only half what they are in the United States. Directors of the American enterprise assure themselves that a distinct economic gain is to be made by establishing a branch plant abroad. Even then these executives insist on a margin of safety considerably larger than that they would demand for a branch plant in, say, Texas.

Here are some of the restrictive factors. Taxation abroad is often extremely burdensome, leading sometimes to the intricate question of double taxation. Local regulations often are more restrictive and troublesome than in the United States. In some cases taxes and regulations can be altered on little notice; in fact can be altered to discriminate against the American-owned plant.

Branches despite deterrents

I HAVE shown the reverse side of the shield, not by way of discouragement, but to prove that the expansion of American industry into foreign industrial territory is no passing whim. In most cases it is a sound development if American industry is to maintain its place in the international field. The negative factors are a natural check on branch plant development.

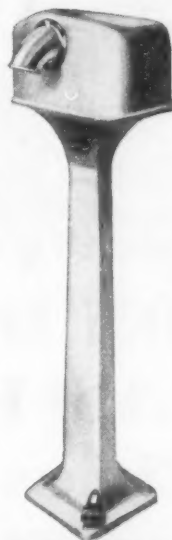
If, in spite of these obstacles, an American industry maintains a permanent branch plant abroad we can rest assured that some powerful economic reason underlies that development.

We can further be certain that that particular industry has had a world vision of its possibilities, has accepted the challenge of its world competitors.

The speedy, thorough drying service that completely meets the needs of American Business

The new "SF" model Sani-Dri supplies a better, faster washroom drying service—a service that is quieter, more thorough and vastly more sanitary than towels. *It completely meets the needs of modern American business.*

If you do not now use the new "SF" Sani-Dri in your washrooms, you should investigate its service with the same open mind that you would use in considering any other new and worth while betterment for your business.



This is the drier which has altered all past washroom standards. It offers a continuous, trouble-free service which is much more efficient than any drying service you have ever known or used before.

You will be interested in Sani-Dri's ability to reduce your present towel bills 60% to 90%. Its economy is only one of Sani-Dri's many advantages. You will find others, equally vital, in the superior service of this new, greatly improved model.

Mail coupon below for copy of our new booklet

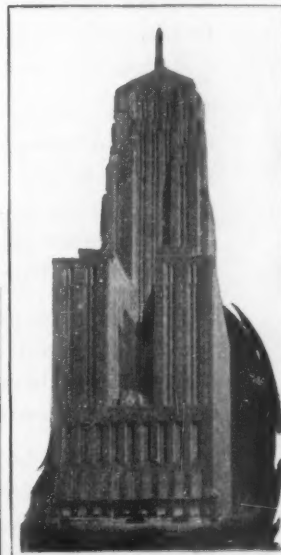
We'd like to place on your desk a copy of our new booklet, "The Airway to Efficiency," just off the press. It describes this new "SF" model in detail and explains why Sani-Dri is the first choice of so large a proportion of American business men. To obtain your copy of this booklet, just fill out and mail the coupon below.

ELECTRICAL DIVISION CHICAGO HARDWARE FOUNDRY CO.

North Chicago, Illinois



The Minneapolis-Honeywell Co., Minneapolis—known everywhere for quality products, is another leading user of Sani-Dri modern washroom service.



In the new 44-story Board of Trade Building, Chicago, all tenants' washrooms are completely equipped with the new "SF" Sani-Dri. Architects: Holabird & Root.

Electrical Division, CHICAGO HARDWARE FOUNDRY CO.
North Chicago, Illinois
Send me your new booklet, "The Airway to Efficiency," containing complete information about the new "SF" Sani-Dri.

Name _____
Firm Name _____
City _____ State _____

N.B.7-30

MAIL COUPON FOR FULL INFORMATION ABOUT NEW "SF" Sani-Dri

When writing to CHICAGO HARDWARE FOUNDRY CO. please mention Nation's Business



A BILLION DOLLARS IN ASSETS behind Cities Service Petroleum Products

LOOK to the resources behind the lubricants and gasoline you use, for parentage is a valuable protection.

Cities Service resources are those of a billion dollar organization—nation-wide assets represented in extensive oil fields, refineries, pipe lines and tank ships, marketing systems; and owned and operated public utility companies.

The public utility companies operated by Cities Service serve millions of people and thousands of industries with light, heat and power. Cities Service motor coach lines furnish transportation to many millions more. These great business enterprises are all users of Cities Service products, consuming vast quantities of oils, greases and gasoline.

It is in this great practical laboratory that Cities Service products are put to gruelling tests. They come to you only after having been tried and proved from every known standpoint of economy and industrial efficiency.

Cities Service learned how to solve your lubrication and fuel problems by first solving its own. You can have the benefit of these long years of experience and costly experimental work by requesting an interview with a Cities Service engineer.

CITIES SERVICE INDUSTRIAL OILS
QUALITY PROVED WHERE IT SHOULD BE PROVED — IN INDUSTRIAL USE

CITIES SERVICE OIL COMPANY
60 WALL STREET NEW YORK

Cities Service Radio Concerts, Friday 8 P. M. Eastern Daylight Saving Time

When writing to CITIES SERVICE OIL COMPANY please mention Nation's Business

THROUGH THE



EDITOR'S SPECS

TO THE EDITOR OF NATION'S BUSINESS:

We are not further interested in receiving NATION'S BUSINESS.

When the periodical comes to our office every one reads it and there is no chance getting any work out of the force until it is all read by every one. So please stop sending it.

GEORGE L. TAFT

*George L. Taft & Co.
San Antonio, Tex.*

♦ High Taxes

TO THE EDITOR OF NATION'S BUSINESS:

I thoroughly agree with you that governmental expenditures for nonessential things must be stopped.

I am 27 years of age and a farmer's wife.

In 1929, our taxes were \$1,100. Eleven hundred dollars for taxes! Because we have 600 acres of unpaid-for land, on which we pay so much tax, many of our acquaintances consider us fairly well-to-do. In spite of that, many of our friends who pay not more than \$100 per annum for taxes have homes comfortably furnished. In six years' time, my only luxuries have been three babies (we wanted to have them while we are still young), an electric refrigerator, and two sets of books.

My particular reason for writing this letter is to call your attention to the too high salaries sometimes paid government employees. I am referring especially to the rural mail carriers.

As a general rule, government employees may not be overpaid. But even a few thousand reduced salaries—where equally as good work could be done at cheaper rates—would soon amount to a few hundred thousand, if not a few million dollars. Dollars that we taxpayers are skimping ourselves to pay to the Government!

I wish you success in making the taxpayers see that it is they, and not George, who pay the freight.

(MRS.) M. F. MORGAN

Bailey, N. C.

♦ More Taxes

TO THE EDITOR OF NATION'S BUSINESS:

I have read, with much interest, the articles on the Farm Board and Business, by Alexander Legge, Daniel A. Millett, and Arthur M. Hyde.

The great question, to me, is what are we to do here in Maine with our poor, unsuccessful farmers? If some kind providence aided them to the extent of a few

hundred dollars they might have the wherewithal to work with. They would in all probability be able to make a living for themselves and their families.

I personally know many farmers who are practically eaten alive by taxes, repairs and bills for farm machinery. Taxes seem to be the biggest question. If our Board might bring its power and knowledge as a force to assist the farmer in this respect I feel that a great step would be taken on the road to real helpfulness.

I do not believe in taking taxes entirely away. I am not that foolish; but I do feel that our tax assessors have much to do with the year's success or failure of the poorer class of farmers.

M. H. BEDILL

Auburn, Maine

♦ Ex-Horter

TO THE EDITOR OF NATION'S BUSINESS:

May I take a bit of your time to say that in looking through the May number I was surprised and pleased to see that you had another graphic industrial exposition in the form of an etching by Earl Horter.

Having acquired a habit in 1929 of looking for one of these prints the first thing when going through NATION'S BUSINESS, I have been disappointed in not finding any during the forepart of this year.

I hope that there are more to follow.

H. H. JONES

Secretary and treasurer

Pennsylvania Sugar Company
Philadelphia, Pa.

♦ Protest

TO THE EDITOR OF NATION'S BUSINESS

Will you please refer to the article in the May issue "Let's Protect the Style Designer," by Mary E. Bendelari who, your article quotes, is the designer of DEAUVILLE SANDALS?

We must ask you to print a correction in this connection as the name DEAUVILLE SANDALS, as applied to footwear, is our registered trade-mark, registered under the Act of March 19th, 1920 at the U. S. Patent Office under trade mark number 224,423 on February 22nd, 1927.

We feel that a case of the nature of this article is misleading and detrimental to the prestige of our trade-mark.

H. G. HARRIS

Golo Slipper Co.
New York, N. Y.

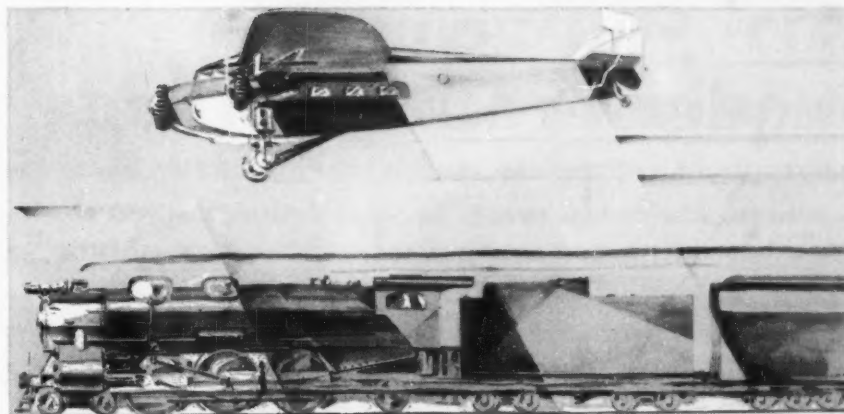
(Miss Bendelari makes no claim to ownership of the original design of this particular shoe. However, she has been generally accredited with its design in other publications for some time past. NATION'S BUSINESS regrets that the confusion caused an error, and is glad to note this correction.—THE EDITOR.)

♦ Read Lyons

TO THE EDITOR OF NATION'S BUSINESS

After having read R. W. Lyons' article in the May issue of NATION'S BUSINESS, I am prompted to question his statement made therein, that "chain stores provide a ready-made market for the manufacturer."

Instead of providing a ready-made market for the manufacturer, the chain store is



MODERN BUSINESS WRITES THIS PRESCRIPTION FOR THINNER PAPER

MODERN business, typified by the increasing use of air mail, export correspondence and branch office communication, literally wrote the prescription for Dexstar Manifold.

The need for strictest economy in postage was obvious. Out of that need has come the Special Dexstar Manifold No. 5 — the thinnest, lightest writing paper made.

Dexstar Manifold No. 5 is one of a long line of highest grade Thin Papers, the result of nearly a century of paper making. Flat, antique surfaces, insure clear, clean, legible carbon copies.

We will be glad to supply samples and further information. * * * *

DEXSTAR MANIFOLDS

C. H. DEXTER & SONS, INC.
WINDSOR LOCKS * CONNECTICUT

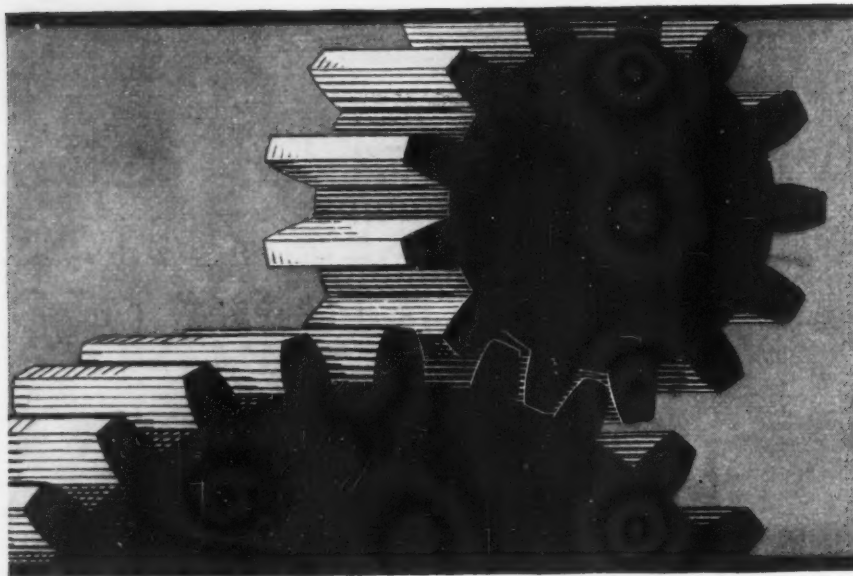
Makers of highest grade thin papers since 1835.

When writing to C. H. DEXTER & SONS, INC. please mention Nation's Business



Are you geared to modern retail methods?

Buying and selling are major wheels of the business machine. They must mesh. Is your selling geared to the modern retail practice of small stocks and quick fill-ins?



BUSH DISTRIBUTION SERVICE gears selling plans to buying practice

FOR several hundred concerns Bush Distribution Service now gets goods to the metropolitan dealer when he wants them and in the quantities he needs, charging only for labor and space actually used. This reduces costs on existing sales volume and greatly increases the potential volume. For many concerns that are actually manufacturing or assembling their products in New York, Bush provides all necessary facilities for spot production as well as spot stocks: economical and convenient water and rail transport, good light and layout, low cost power and insurance, and unrivaled elevator and trucking service.

So, if you sell in New York or hope

to sell there, and if you manufacture or assemble merchandise there, or plan to do either—you can use Bush Terminal to reduce costs, to increase profits, and to add new volume.

There are so many ways this service can be valuable that they cannot be enumerated here. Just how it will be valuable to you depends on your product, your method of sale, your present position in the New York market and other markets. Give us that information when you write for a copy of "More Profits in New York" and we will describe the ways that Bush will gear your New York business to local buying practices.

BUSH TERMINAL COMPANY

**Metropolitan facilities for
Distribution . . Warehousing . . Manufacturing**

Executive Offices: 100 Broad St., Dept. N, New York

Steamship piers, railroad sidings, warehouses, truck depot and manufacturing lofts on New York Bay

When writing to BUSH TERMINAL COMPANY please mention Nation's Business

very apt rather to be the absorbing ogre of ready-made markets.

Rather, wouldn't it be better to say that the chain store provides a ready-made market for the market that is already made?

G. R. WEST
President

*The West Company, Inc.
Charlotte, Mich.*

♦ Also Read Lyons

TO THE EDITOR OF NATION'S BUSINESS:

From the viewpoint of an independent merchant and reader of your valued magazine I wish to enter my protest against the use of your valuable space with such articles as I find on Page 24 by R. W. Lyons.

The chains have brought condemnation upon themselves by selling nationally advertised articles below their cost in order to make the consumer believe that their own private brands were sold on the same low-priced basis.

I think that any manufacturer who allows these vultures to ruin a product that he has developed and consistently advertised for years is nothing but a fool and will soon be a failure. The chains have to pay too high a price for overhead brains to manage so much cheap labor that it is impossible for them to pass a saving on to the consumer.

When they have to pay equal taxes and contribute equally with the independent merchant, then their day is done. A good independent merchant can prosper and compete with the chains just the same as Henry Ford does with the General Motors and other chain industries.

I am sorry to see that magazines of such standing as the NATION'S BUSINESS and Collier's and the Saturday Evening Post have allowed themselves to be tripped up with such smoothly built up articles as the one published in your May issue.

R. M. EDWARDS

*Edwards Grocery and Market
Socorro, N. Mex.*

♦ Correction

TO THE EDITOR OF NATION'S BUSINESS:

I have read with very great interest the article entitled "The British Find Cooperation Pays" by Rolfe Baltzell, in the May issue of NATION'S BUSINESS.

It is quite an admirable presentation of the British cooperative movement from the American viewpoint, but unfortunately it contains a number of errors, the nature of which I think you should be apprised of so that you may make the necessary corrections in a later issue if you think fit.

In the first line, the movement is said to have had its inception at Rochdale in 1855. This is incorrect as the 28 weavers commenced business in their shop at Toad Land, Rochdale, in 1844. In the third column, mention is made of the movement's activity in banking circles, the turnover being set at approximately 700,000 pounds. On reflection I think you will realize that if the assets amount to 43,000,000 pounds then the turnover must be very considerably more, otherwise the operations would be grossly overcapitalized. These facts may be verified by reference to the Co-operator's Year Book, published by the Co-operative Press Agency, Balloon Street, Manchester, England.

A very important point has been omitted.

The statement is made that dividends are paid on purchases and not on capital. Another fundamental principle is that no member has more than one vote, no matter the amount of his capital holding, which, as the article states, cannot exceed the sum of 200 pounds. This limit is set by Parliament. A number of other somewhat important features have been omitted, but perhaps space would not allow their inclusion.

R. C. HOOPER

New York City

◆ For Thrift

TO THE EDITOR OF NATION'S BUSINESS:
I have read with great interest the stories by Messrs. Saunders and MacManus under the heading, "The Market of Discontent."

It seems to me that Mr. MacManus unnecessarily weakens the case for advertising by "passing the buck" to the social system. It is also equally unnecessary to "pass the buck" to human nature. The inherent discontent of which he speaks may be likened to live embers. It is these embers which are fanned to flames by the skill of the advertising and publicity men.

In the same manner the inherent pugnacity of human kind is fanned to fury by war-mad Jingoists. We advertising men take advantage of the weak spots of human nature, playing to prejudice, pandering to pride, and flattering human vanity. This power in the hands of advertising and publicity men should make us pause. It is like fire. We can use it wastefully, either for human good or indiscriminately to create the evils of which Mr. Saunders complains.

The social system being what it is, the opposite forces, such as thrift, and so forth, must use the same weapons as organized business. In other words, we must sell the idea of putting aside the proverbial dollar for the proverbial rainy day.

LESTER A. LOEB

Peck Advertising Agency
New York, N. Y.

◆ Memories

TO THE EDITOR OF NATION'S BUSINESS:
I have just been reading in the December NATION'S BUSINESS the article on "Radio Dons Its Working Clothes," by Gen. James G. Harbord, president of the Radio Corporation of America, and this, with my mind going back to that early period—early in the history of radio—makes me think, yes, feel quite sure, that I am getting old.

The article speaks of Prof. Heinrich Hertz, a German scientist; then again of some developments in the art, winding up with the statement that "in 1901 the Atlantic Ocean was spanned."

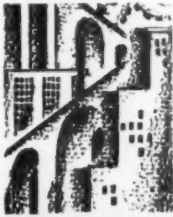
In 1887, the time of the German scientist's work, the writer was in Jersey City on special machine work in a knitting mill. In 1890 I was back home here and had opened up a little machine shop, "all my own"—and what a struggle I had.

In 1893 I wanted, oh, so badly, to go to the World's Fair at Chicago; and finally made myself think I could afford to make the sacrifice. So, with a friend, I went; it cost me \$45 and we were gone ten days.

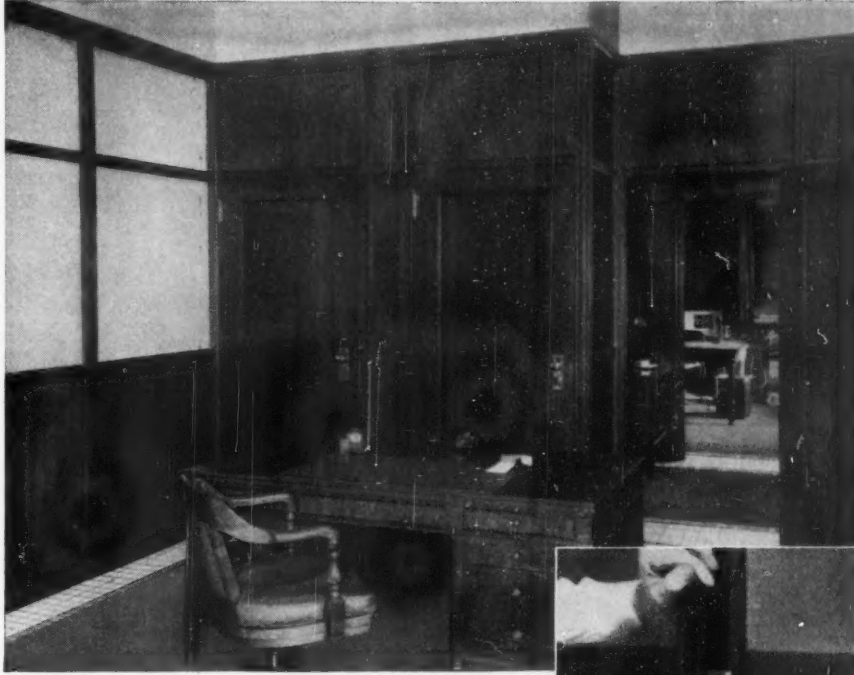
In 1901 the Atlantic Ocean was spanned, eight years after the Chicago Fair. At this late date we saw the first demonstration of wireless telegraphy.

FRANK R. HYNES

Camden, N. Y.



Modern business
demands modern partitions



Individual closet and lavatory enclosures made easily accessible and permanently attractive by Hauserman Movable Steel Partitions

It is little wonder that so many leading Architects, Building Owners, and industrial concerns specify Hauserman Partitions for all their subdividing needs. For they know that in Hauserman Partitions they'll find advantages which other partitions lack.

Innumerable exclusive features of design characterize Hauserman Partitions. From so great a thing as maximum flexibility to so small a thing as a patented picture hook, these modern partitions excel.

THE E. F. HAUSERMAN COMPANY

A nation-wide organization of Partition Specialists
6866 Grant Avenue, Cleveland, Ohio

Factory Directed Planning and Erection Service from these 13 Factory Branches
Newark Philadelphia Buffalo Boston Hartford
Chicago Pittsburgh Detroit Cincinnati St. Louis
Washington, D. C. New York Cleveland

HAUSERMAN MOVABLE
STEEL PARTITIONS

SEND THE COUPON

"Office Planning Studies"
a valuable collection of floor plans suggesting efficient layouts for units of various size. Every Architect, Building Owner or Manager, and Industrial Executive should have a copy.



THE E. F. HAUSERMAN CO., Cleveland, O.

Please send me booklet "Office Planning Studies".

Name _____
Firm _____
Address _____

N.B.—7-30

When writing to THE E. F. HAUSERMAN CO. please mention Nation's Business

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THIS is one of a series of editorials written by leading advertising men on the general subject of advertising

Keeping Good Company

WHATEVER may have been true in the past, business men today are unwilling to be seen in bad company. They pick their associates with meticulous care. They look askance at that man who even momentarily mingles with undesirable companions.

As it is in personal relations, so should it be in all commercial activities. Keeping good company is the one sure road on which the business man can travel to peace of mind, to good reputation, to personal satisfaction in living.

Business men have found that it pays to advertise only in publications where they are in good company. The publication that accepts poor advertising and poor advertisers is soon shunned by the better business houses.

This care in keeping good company can wisely be extended in many directions—to a firm's daily correspondence, to a firm's delivery service, to a firm's bookkeeping, to a firm's personnel.

Indeed, there is no part or parcel of a business that must not be conducted so as to merit the one endorsement, "that firm travels in good company."

The wise business man handles his every public relation so that his customers, his competitors, his well-wishers and his critics must all agree on at least one point—"he is invariably careful to travel in good company."

Keeping good company pays better today than ever before. As the great consumer public becomes more conscious of its buying operations it becomes more conscious of the individualities and personalities of the business houses that are widely known for consistently keeping good company.

IRWIN F. PASCHALL, *President*
The Paschall Company
Chicago, Ill.